

# SENATE BILL 72

Q3  
SB 443/22 – B&T

(PRE-FILED)

3lr0820

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By: **Senator Jackson**

Requested: November 16, 2022

Introduced and read first time: January 11, 2023

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Credit for Pet-Friendly Rental Dwelling Units**

3 FOR the purpose of allowing certain landlords a credit against the State income tax for  
4 certain rental dwelling units in which, during the taxable year, a landlord permits  
5 certain tenants to reside with companion animals; requiring the Comptroller to  
6 maintain and publish on the Comptroller’s website certain information; and  
7 generally relating to a credit against the State income tax for pet-friendly rental  
8 dwelling units.

9 BY adding to

10 Article – Tax – General  
11 Section 10–757  
12 Annotated Code of Maryland  
13 (2022 Replacement Volume)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
15 That the Laws of Maryland read as follows:

16 **Article – Tax – General**

17 **10–757.**

18 **(A) IN THIS SECTION, “RENTAL DWELLING UNIT” HAS THE MEANING STATED**  
19 **IN § 6–801 OF THE ENVIRONMENT ARTICLE.**

20 **(B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, A LANDLORD MAY**  
21 **CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN AN AMOUNT EQUAL TO \$200**  
22 **FOR EACH RENTAL DWELLING UNIT IN WHICH, DURING THE TAXABLE YEAR, THE**  
23 **LANDLORD PERMITS THE LANDLORD’S TENANT TO RESIDE WITH A COMPANION**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 ANIMAL.

2 (C) (1) FOR EACH TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS  
3 SECTION MAY NOT EXCEED THE LESSER OF:

4 (I) \$2,000; OR

5 (II) THE STATE INCOME TAX FOR THAT TAXABLE YEAR,  
6 CALCULATED BEFORE THE APPLICATION OF THE CREDITS UNDER THIS SECTION  
7 AND §§ 10-701 AND 10-701.1 OF THIS SUBTITLE BUT AFTER THE APPLICATION OF  
8 OTHER CREDITS ALLOWABLE UNDER THIS SUBTITLE.

9 (2) THE UNUSED AMOUNT OF CREDIT FOR ANY TAXABLE YEAR MAY  
10 NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.

11 (D) (1) A LANDLORD CLAIMING THE CREDIT UNDER THIS SECTION MAY  
12 IMPOSE A LIMITATION ON THE TOTAL NUMBER OF COMPANION ANIMALS WITH  
13 WHICH A TENANT MAY RESIDE.

14 (2) A LANDLORD CLAIMING THE CREDIT UNDER THIS SECTION MAY  
15 NOT IMPOSE:

16 (I) A NONREFUNDABLE PET FEE ON THE TENANT WHO RESIDES  
17 WITH A COMPANION ANIMAL; OR

18 (II) BREED OR SIZE RESTRICTIONS ON THE COMPANION ANIMAL  
19 WITH WHICH THE TENANT SEEKS TO RESIDE.

20 (E) IN ORDER TO CLAIM THE CREDIT ALLOWED UNDER THIS SECTION, THE  
21 LANDLORD SHALL FILE WITH THE LANDLORD'S INCOME TAX RETURN:

22 (1) A LIST OF EACH PROPERTY AT WHICH THE LANDLORD PERMITS  
23 THE LANDLORD'S RESIDENTIAL RENTAL HOUSING TENANTS TO RESIDE WITH  
24 COMPANION ANIMALS IN THE TENANT'S RENTAL DWELLING UNIT AND FOR WHICH  
25 THE LANDLORD IS CLAIMING THE CREDIT UNDER THIS SECTION; AND

26 (2) A COPY OF THE LANDLORD'S POLICIES GOVERNING COMPANION  
27 ANIMALS WITH RESPECT TO THE PROPERTY.

28 (F) NOTWITHSTANDING THE LIMITATIONS UNDER TITLE 13, SUBTITLE 2 OF  
29 THIS ARTICLE, THE COMPTROLLER SHALL MAINTAIN AND PUBLISH ON THE  
30 COMPTROLLER'S WEBSITE A LIST OF LANDLORDS WHO CLAIM THE CREDIT  
31 ALLOWED UNDER THIS SECTION AND THE PROPERTIES AT WHICH EACH LANDLORD

1 PERMITS THE LANDLORD'S RESIDENTIAL RENTAL HOUSING TENANTS TO RESIDE  
2 WITH COMPANION ANIMALS IN THE TENANT'S RENTAL DWELLING UNIT.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
4 1, 2023, and shall be applicable to all taxable years beginning after December 31, 2022, but  
5 before January 1, 2025. It shall remain effective for a period of 2 years and, at the end of  
6 June 30, 2025, this Act, with no further action required by the General Assembly, shall be  
7 abrogated and of no further force and effect.