

HOUSE BILL 1573

Q3, G1

6lr1395

By: **Delegate Young**

Introduced and read first time: February 13, 2026

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Credit for Small Political Contributions**

3 FOR the purpose of allowing a credit against the State income tax for certain political
4 contributions paid to certain campaign finance entities during the taxable year;
5 making the credit refundable; and generally relating to a credit against the State
6 income tax for small political contributions.

7 BY adding to

8 Article – Tax – General

9 Section 10–758

10 Annotated Code of Maryland

11 (2022 Replacement Volume and 2025 Supplement)

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

14 **Article – Tax – General**

15 **10–758.**

16 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
17 **INDICATED.**

18 **(2) “CAMPAIGN FINANCE ENTITY” HAS THE MEANING STATED IN §**
19 **1–101 OF THE ELECTION LAW ARTICLE.**

20 **(3) “POLITICAL CONTRIBUTION” MEANS THE GIFT OF MONEY TO:**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(I) PROMOTE OR ASSIST IN THE PROMOTION OF THE SUCCESS**
2 **OR DEFEAT OF A CANDIDATE, POLITICAL PARTY, QUESTION, OR PROSPECTIVE**
3 **QUESTION; OR**

4 **(II) ASSIST IN THE PAYMENT OF EXPENSES ASSOCIATED WITH**
5 **CONTESTING AN ELECTION UNDER TITLE 12 OF THE ELECTION LAW ARTICLE.**

6 **(4) “TAXPAYER” MEANS:**

7 **(I) AN INDIVIDUAL FILING AN INCOME TAX RETURN; OR**

8 **(II) A MARRIED COUPLE FILING A JOINT INCOME TAX RETURN.**

9 **(B) SUBJECT TO THE LIMITATIONS OF THIS SECTION, A TAXPAYER MAY**
10 **CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR POLITICAL CONTRIBUTIONS**
11 **PAID TO A CAMPAIGN FINANCE ENTITY DURING THE TAXABLE YEAR.**

12 **(C) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED:**

13 **(1) \$50 FOR AN INDIVIDUAL; OR**

14 **(2) \$100 FOR A MARRIED COUPLE FILING A JOINT RETURN.**

15 **(D) FOR ANY TAXABLE YEAR, THE CREDIT ALLOWED UNDER THIS SECTION**
16 **MAY BE CLAIMED ONLY ONCE BY A TAXPAYER.**

17 **(E) IF THE CREDIT ALLOWED UNDER THIS SECTION IN ANY TAXABLE YEAR**
18 **EXCEEDS THE STATE INCOME TAX FOR THAT TAXABLE YEAR, THE TAXPAYER MAY**
19 **CLAIM A REFUND IN THE AMOUNT OF THE EXCESS.**

20 **(F) (1) ON OR BEFORE DECEMBER 1, 2027, AND EACH DECEMBER 1**
21 **THEREAFTER, THE COMPTROLLER SHALL REPORT TO THE GOVERNOR AND, IN**
22 **ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL**
23 **ASSEMBLY ON THE CREDIT ALLOWED UNDER THIS SECTION, INCLUDING:**

24 **(I) THE NUMBER OF TAXPAYERS WHO HAVE CLAIMED THE**
25 **CREDIT; AND**

26 **(II) THE CREDIT’S TOTAL FISCAL IMPACT ON THE STATE.**

27 **(2) THE COMPTROLLER SHALL PUBLISH THE ANNUAL REPORT**
28 **REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION ON THE COMPTROLLER’S**
29 **PUBLICLY ACCESSIBLE WEBSITE.**

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2026, and shall be applicable to all taxable years beginning after December 31, 2025, but
3 before January 1, 2031. It shall remain effective for a period of 6 years and, at the end of
4 June 30, 2032, this Act, with no further action required by the General Assembly, shall be
5 abrogated and of no further force and effect.