

SENATE BILL 148

Q3

(6lr1094)

ENROLLED BILL

— Budget and Taxation / Ways and Means —

Introduced by **Senators Kagan and Carozza**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **Income Tax – ~~Subtraction Modification – Public Safety Employee~~ Credit for**

3 **9-1-1 Specialist Retirement Income**

4 **(Supporting Our 9-1-1 Specialists Act)**

5 FOR the purpose of ~~altering a certain subtraction modification under the Maryland income~~
6 ~~tax for retirement income attributable to an individual's employment as a public~~
7 ~~safety employee to include~~ *allowing a credit against the State income tax for* certain
8 retirement income attributable to an individual's employment as a 9-1-1 specialist;
9 and generally relating to a ~~subtraction modification under the Maryland~~ *credit*
10 *against the State* income tax for the retirement income of ~~public safety employees~~
11 *9-1-1 specialists.*

12 BY adding to

13 Article – Tax – General

14 Section 10-758

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 *Annotated Code of Maryland*
 2 *(2022 Replacement Volume and 2025 Supplement)*

3 ~~BY repealing and reenacting, without amendments,~~
 4 ~~Article – Tax – General~~
 5 ~~Section 10–207(a)~~
 6 ~~Annotated Code of Maryland~~
 7 ~~(2022 Replacement Volume and 2025 Supplement)~~

8 ~~BY repealing and reenacting, with amendments,~~
 9 ~~Article – Tax – General~~
 10 ~~Section 10–207(mm)~~
 11 ~~Annotated Code of Maryland~~
 12 ~~(2022 Replacement Volume and 2025 Supplement)~~

13 BY repealing and reenacting, without amendments,
 14 Article – Tax – Property
 15 Section 9–262(a)(1) and (3)
 16 Annotated Code of Maryland
 17 (2019 Replacement Volume and 2025 Supplement)

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

20 **Article – Tax – General**

21 **10–758.**

22 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
 23 **INDICATED.**

24 **(2) “DEPARTMENT” MEANS THE DEPARTMENT OF EMERGENCY**
 25 **MANAGEMENT.**

26 **(3) “EMPLOYEE RETIREMENT SYSTEM” HAS THE MEANING STATED IN**
 27 **§ 10–209(A) OF THIS TITLE.**

28 **(4) “9–1–1 SPECIALIST” HAS THE MEANING STATED IN § 9–262(A) OF**
 29 **THE TAX – PROPERTY ARTICLE.**

30 **(5) “SECRETARY” MEANS THE SECRETARY OF EMERGENCY**
 31 **MANAGEMENT.**

32 **(B) (1) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 2025, BUT**
 33 **BEFORE JANUARY 1, 2029, AN INDIVIDUAL WHO IS A RETIRED 9–1–1 SPECIALIST MAY**

1 CLAIM A CREDIT AGAINST THE STATE INCOME TAX IN THE AMOUNT STATED IN THE
2 TAX CREDIT CERTIFICATE APPROVED BY THE SECRETARY.

3 (2) THE INDIVIDUAL SHALL PROVIDE THE TAX CREDIT CERTIFICATE
4 TO THE COMPTROLLER, IN THE FORM AND MANNER REQUIRED BY THE
5 COMPTROLLER.

6 (C) (1) AN INDIVIDUAL QUALIFIED FOR THE CREDIT UNDER THIS
7 SECTION MAY APPLY TO THE DEPARTMENT FOR A TAX CREDIT CERTIFICATE.

8 (2) (I) THE SECRETARY SHALL APPROVE EACH APPLICATION
9 UNDER PARAGRAPH (1) OF THIS SUBSECTION THAT QUALIFIES FOR A TAX CREDIT
10 CERTIFICATE.

11 (II) SUBJECT TO PARAGRAPH (4) OF THIS SUBSECTION, THE
12 DEPARTMENT SHALL ISSUE A TAX CREDIT CERTIFICATE TO THE QUALIFIED
13 INDIVIDUAL IN AN AMOUNT EQUAL TO 4.75% OF THE FIRST \$15,000 OF RETIREMENT
14 INCOME FROM AN EMPLOYEE RETIREMENT SYSTEM ATTRIBUTABLE TO THE
15 INDIVIDUAL'S SERVICE AS A 9-1-1 SPECIALIST IN THE STATE, NOT TO EXCEED \$700.

16 (3) THE SECRETARY SHALL:

17 (I) DETERMINE WHETHER THE INDIVIDUAL IS QUALIFIED FOR
18 THE CREDIT UNDER THIS SECTION; AND

19 (II) NOTIFY THE COMPTROLLER, IN THE FORM AND MANNER
20 REQUIRED BY THE COMPTROLLER, OF THE INDIVIDUALS TO WHOM THE
21 DEPARTMENT HAS ISSUED A TAX CREDIT CERTIFICATE UNDER THIS SECTION.

22 (4) (I) THE TOTAL AMOUNT OF THE TAX CREDIT CERTIFICATES
23 APPROVED BY THE SECRETARY MAY NOT EXCEED \$250,000 FOR EACH TAXABLE
24 YEAR.

25 (II) IF THE TOTAL AMOUNT OF TAX CREDIT CERTIFICATES THE
26 DEPARTMENT IS REQUIRED TO APPROVE UNDER PARAGRAPH (2) OF THIS
27 SUBSECTION EXCEEDS \$250,000 IN A FISCAL YEAR, THE DEPARTMENT SHALL ISSUE
28 TAX CREDIT CERTIFICATES TO QUALIFIED INDIVIDUALS ON A PRO RATA BASIS.

29 ~~10-207.~~

30 ~~(a) To the extent included in federal adjusted gross income, the amounts under~~
31 ~~this section are subtracted from the federal adjusted gross income of a resident to determine~~
32 ~~Maryland adjusted gross income.~~

1 ~~(mm) (1) (i) In this subsection the following words have the meanings~~
 2 ~~indicated.~~

3 ~~(ii) "Correctional officer" means an individual who:~~

4 ~~1. was employed in:~~

5 ~~A. a State correctional facility, as defined in § 1-101 of the~~
 6 ~~Correctional Services Article;~~

7 ~~B. a local correctional facility, as defined in § 1-101 of the~~
 8 ~~Correctional Services Article;~~

9 ~~C. a juvenile facility included in § 9-226 of the Human~~
 10 ~~Services Article; or~~

11 ~~D. a facility of the United States that is equivalent to a State~~
 12 ~~or local correctional facility or a juvenile facility included in § 9-226 of the Human Services~~
 13 ~~Article; and~~

14 ~~2. is eligible to receive retirement income attributable to the~~
 15 ~~individual's employment under item 1 of this subparagraph.~~

16 ~~(iii) "Emergency services personnel" means emergency medical~~
 17 ~~technicians [or], paramedics, OR 9-1-1 SPECIALISTS.~~

18 ~~(iv) "Employee retirement system" has the meaning stated under §~~
 19 ~~10-209(a) of this subtitle.~~

20 ~~(v) "9-1-1 SPECIALIST" HAS THE MEANING STATED IN §~~
 21 ~~9-262(A) OF THE TAX - PROPERTY ARTICLE.~~

22 ~~[(v)] (vi) "Public safety employee" means an individual who is a~~
 23 ~~retired correctional officer, law enforcement officer, or fire, rescue, or emergency services~~
 24 ~~personnel of the United States, the State, or a political subdivision of the State.~~

25 ~~(2) The subtraction under subsection (a) of this section includes the first~~
 26 ~~\$15,000 of income from an employee retirement system that is attributable to service as a~~
 27 ~~public safety employee, if the income is received by an individual who is at least 55 years~~
 28 ~~old on the last day of the taxable year.~~

29 Article - Tax - Property

30 9-262.

31 (a) (1) In this section the following words have the meanings indicated.

1 (3) “9–1–1 specialist” means an employee of a county public safety
 2 answering point, or an employee working in a county safety answering point, whose duties
 3 and responsibilities include:

4 (i) receiving and processing 9–1–1 requests for emergency
 5 assistance;

6 (ii) other support functions directly related to 9–1–1 requests for
 7 emergency assistance; or

8 (iii) dispatching law enforcement officers, fire rescue services,
 9 emergency medical services, and other public safety services to the scene of an emergency.

10 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1,
 11 2028, the Department of Emergency Management shall report to the Governor and, in
 12 accordance with § 2–1257 of the State Government Article, the General Assembly on:

13 (1) the number of retired 9–1–1 specialists to whom the Department issued
 14 a tax credit certificate under § 10–758 of the Tax – General Article, as enacted by Section 1
 15 of this Act, and the aggregate amount of the tax credit certificates issued for each preceding
 16 taxable year; and

17 (2) the number of 9–1–1 specialists employed in the State who have vested
 18 under an employee retirement system, as defined under § 10–209(a) of the Tax – General
 19 Article.

20 ~~SECTION 2. 3.~~ AND BE IT FURTHER ENACTED, That this Act shall take effect
 21 July 1, 2026, ~~and shall be applicable to all taxable years beginning after December 31, 2025.~~
 22 It shall remain effective for a period of 3 years and, at the end of June 30, 2029, this Act,
 23 with no further action required by the General Assembly, shall be abrogated and of no
 24 further force and effect.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.