

# HOUSE BILL 1353

Q3

4lr2378

---

By: **Delegates Glass, Hough, McComas, and McDonough**

Introduced and read first time: February 7, 2014

Assigned to: Ways and Means

---

## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Gift Cards Purchased for**  
3 **Emergency Personnel**

4 FOR the purpose of allowing a subtraction modification under the Maryland income  
5 tax for the value of certain gift cards provided to certain emergency personnel;  
6 limiting the amount of the subtraction modification; requiring a taxpayer to  
7 meet certain filing requirements to claim the subtraction modification;  
8 providing that the value of certain gift cards may not be included in the  
9 subtraction modification; requiring the Comptroller to adopt certain  
10 regulations; defining certain terms; providing for the application of this Act; and  
11 generally relating to a subtraction modification under the Maryland income tax  
12 for certain amounts related to certain gift cards.

13 BY repealing and reenacting, without amendments,  
14 Article – Tax – General  
15 Section 10–208(a)  
16 Annotated Code of Maryland  
17 (2010 Replacement Volume and 2013 Supplement)

18 BY adding to  
19 Article – Tax – General  
20 Section 10–208(u)  
21 Annotated Code of Maryland  
22 (2010 Replacement Volume and 2013 Supplement)

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

25 **Article – Tax – General**

26 10–208.

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In addition to the modification under § 10–207 of this subtitle, the  
2 amounts under this section are subtracted from the federal adjusted gross income of a  
3 resident to determine Maryland adjusted gross income.

4 (U) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE  
5 THE MEANINGS INDICATED.

6 (II) “GIFT CARD” MEANS A DEVICE THAT:

7 1. IS SOLD OR ISSUED BY A PERSON FOR CASH  
8 VALUE;

9 2. IS PROCESSED THROUGH A NATIONAL CREDIT OR  
10 DEBIT CARD SERVICE; AND

11 3. MAY BE USED TO PURCHASE GOODS OR SERVICES  
12 FROM SELLERS OF GOODS OR SERVICES.

13 (III) “QUALIFIED RECIPIENT” MEANS AN INDIVIDUAL WHO IS  
14 PAID OR WHO VOLUNTEERS AS AN ACTIVE:

15 1. PARAMEDIC;

16 2. EMERGENCY MEDICAL TECHNICIAN;

17 3. FIREFIGHTER;

18 4. STATE OR LOCAL POLICE OFFICER; OR

19 5. EMERGENCY RESCUE SERVICES PROVIDER.

20 (2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE  
21 SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES 100% OF  
22 THE CASH VALUE OF A GIFT CARD PROVIDED TO A QUALIFIED RECIPIENT.

23 (3) THE AMOUNT SUBTRACTED BY A QUALIFIED RECIPIENT  
24 UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY NOT EXCEED \$100 FOR ANY  
25 TAXABLE YEAR.

26 (4) TO QUALIFY FOR THE SUBTRACTION UNDER PARAGRAPH (2)  
27 OF THIS SUBSECTION, A TAXPAYER SHALL ATTACH TO THE INDIVIDUAL’S  
28 INCOME TAX RETURN A COPY OF THE RECEIPT, SIGNED BY THE QUALIFIED  
29 RECIPIENT, FOR EACH GIFT CARD PROVIDED.

1           **(5) THE CASH VALUE OF A GIFT CARD PURCHASED OR**  
2 **OTHERWISE PROVIDED BY A QUALIFIED RECIPIENT DOES NOT QUALIFY FOR THE**  
3 **SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

4           **(6) THE COMPTROLLER SHALL ADOPT ANY REGULATIONS THAT**  
5 **ARE NECESSARY OR APPROPRIATE TO CARRY OUT THE PROVISIONS OF THIS**  
6 **SUBSECTION.**

7           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 July 1, 2014, and shall be applicable to all taxable years beginning after December 31,  
9 2013.