

**HB183/SB59**  
**Taxable Resident Definition**

Maryland is facing a significant budget deficit that will require tough decisions. As we face fiscal constraints, we need to find creative solutions to raise revenue without unduly burdening middle class Marylanders. Currently in Maryland, we tax a resident's income if they live in the state for more than 6 months out of a year. This does not take into account those who have abodes in Maryland and live here for less than 6 months. In Maryland, we already tax non-resident athletes on their share of income earned in the state<sup>1</sup>. This bill will be the same basic idea for anyone who has a significant physical presence in the state, in this case for 3 months or more.

**This bill will:**

- ✓ Establish that for someone who lives in Maryland 3-6 months a year, they will apportion a part of their income to the state in a ratio commensurate with the time spent here.
- ✓ Provide technical language clarification to the original 6 month statute.

We made changes to the language since drafting it, below is the amended language with the changes shown in red.

10-101.

(k) (1) "Resident" means:

(i) an individual, other than a fiduciary, who:

1. is domiciled in this State on the last day of the taxable year; or
2. for more than 6 months of the taxable year, maintained a place of abode in this State, whether domiciled in this State or not. **However any individual found to be a resident under this subsection 2 is not a resident if such individual can show to the Director by clear and convincing evidence that they were domiciled in some other state or country for the taxable year;**
3. **for more than 3 months of the taxable year, maintained a place of abode in this State, whether domiciled in this State or not. Provided however, that any such individual who is not also a resident under subsections 1 or 2 shall apportion to this state a share of their income that is a ratio of days in this state over 365. Presence in this state for any part of a day constitutes a day in this state unless such presence is purely for purposes of transit through the state.**

For more information please contact:  
**Delegate Lorig Charkoudian**, [lorig.charkoudian@house.state.md.us](mailto:lorig.charkoudian@house.state.md.us)  
Phone: 410-841-3423

<sup>1</sup>[https://www.marylandtaxes.gov/forms/Tax\\_Publications/Administrative\\_Releases/Income\\_and\\_Estate\\_Tax\\_Release/ar\\_it24.pdf](https://www.marylandtaxes.gov/forms/Tax_Publications/Administrative_Releases/Income_and_Estate_Tax_Release/ar_it24.pdf).