

CHAPTER 805  
(House Bill 590)

AN ACT to repeal and re-enact, with amendments, Section 281 (q) of Article 81 of the Annotated Code of Maryland (1957 Edition), title "Revenue and Taxes," subtitle "Income Tax," to remove the limitation on the medical expenses deduction for taxpayers and dependents over 65 years old.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 281 (q) of Article 81 of the Annotated Code of Maryland (1957 Edition), title "Revenue and Taxes," subtitle "Income Tax," be and it is hereby repealed and re-enacted, with amendments, to read as follows:

281.

(q) For all calendar years beginning after December 31, 1954, expenses paid during the taxable year, not compensated for by insurance or otherwise, for medical care of the taxpayer, his spouse or dependents as defined in Section 286 (b). The term "medical care" shall include amounts paid for the diagnosis, cure, mitigation, treatment or prevention of disease or for the purpose of affecting any structure or function of the body (including amounts paid for accident or health insurance); provided, however, that a taxpayer may deduct only such expenses as exceed three percentum of his gross income or three percentum of the aggregate gross income in the case of husband and wife, computed without the benefit of this section, provided, further, however, that in computing the medical expense, an amount equal to one percentum (1%) of the gross income or the combined gross income of husband and wife shall first be deducted from the aggregate amount expended for drugs and medicine; that the maximum deduction for the taxable year shall not exceed \$2,500.00 in the case of husband and wife or head of a family or \$1,250.00 in the case of all other such individuals, except, however, that if the taxpayer or his spouse or *the taxpayer's dependent* has attained the age of 65 before the close of the taxable year, the full amount of medical expenses paid may be deducted without regard to **[the 3%] any** limitation **[**, but subject, nevertheless, to the maximum sum of \$2,500.00 in the case of husband and wife or head of a family and the sum of \$1,250.00 in the case of all other individuals**]**. The term "head of a family," as used in this subsection, shall mean an individual who maintains in one household one or more dependents as defined in Section 286 (b) of this subtitle as amended from time to time.

SEC. 2. *And be it further enacted,* That the provisions of this Act shall be effective for all calendar years beginning after December 31, 1964.

SEC. 3. *And be it further enacted,* That this Act shall take effect June 1, 1965.

Approved May 4, 1965.