



18502C049

Print Using Blue or Black Ink Only

Your Social Security Number

Spouse's Social Security Number

Your First Name

MI

Your Last Name

Spouse's First Name

MI

Spouse's Last Name

Read Instructions for Form 502CR. Note: You must complete and submit pages 1 through 4 of this form to receive credit for the items listed.

PART A - TAX CREDITS FOR INCOME TAXES PAID TO OTHER STATES AND LOCALITIES

If you were a part-year resident, do not claim a credit for tax paid on nonresident income you included on line 12 of the Form 502.

If you are claiming a credit for taxes paid to multiple states and/or localities, see instructions.

- 1. Enter your taxable net income from line 20, Form 502 (or line 10, Form 504).
2. Taxable net income in other state. Write on this line only the net income which is taxable in both the other state and Maryland.
3. Revised taxable net income (Subtract line 2 from line 1.) If less than zero, enter zero.
4. Enter the Maryland tax from line 21, Form 502 (or line 11, Form 504). This is the Maryland tax based on your total income for the year.
5. Tax on amount on line 3. Compute the Maryland tax that would be due on the revised taxable net income by using the Maryland Tax Table or Computation Worksheet contained in the instructions for Forms 502 or 504.
6. Tentative State tax credit (Subtract line 5 from line 4.) If less than zero, enter zero.
7. Enter the Local tax from line 28, Form 502 (or line 18, Form 504). This is the Local tax based on your total income for the year.
8. Local tax on amount on line 3. Compute the Local tax that would be due on the revised taxable net income by multiplying line 3 by your Local tax rate .0
9. Tentative Local tax credit (Subtract line 8 from line 7.) If less than zero, enter zero.
10. Tentative Total tax credit (Add line 6 and line 9.)
11. Total state and local tax shown on tax return(s) filed with the state of (Enter 2-letter state code, code must be entered for credit to be allowed) Enter the amount of your 2018 income tax liability (after deducting any credits for personal exemptions) to the other state and locality in the other state (where applicable). Do not enter state or locality tax withheld from your W-2 forms. It is important that a copy of the tax return that was filed with the other state and/or locality be attached to your Maryland return.
12. Credit for income tax paid to other state and/or locality. Your credit for taxes paid to another state and/or locality is the smaller of the tax actually paid (line 11) or the reduction in Maryland tax resulting from the exclusion of income in the other state and/or locality (line 10). Write the lesser of line 11 or line 10.

State and Local Credits Allowed

- 13. State Credit for Income Tax Paid to other state (Lesser of line 6 or line 12). Enter on line 1, Part AA.
14. Local Credit for Income Tax Paid to other state (Subtract line 13 from line 12.) Enter on line 1, Part BB



18502C149

NAME \_\_\_\_\_ SSN \_\_\_\_\_

PART B - CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES

- 1. Enter your federal adjusted gross income from line 1 of Form 502 or line 17, column 1 of Form 505 or Form 515.
2. Enter your federal Child and Dependent Care Credit from federal Form 2441
3. Enter the decimal amount from the chart in the instructions that applies to the amount on line 1
4. Multiply line 2 by line 3. Enter here and on Part AA, line 2.

PART C - QUALITY TEACHER INCENTIVE CREDIT

Enter the Name of Qualified Employer

- 1. Enter the Maryland public school system or a State or local correctional facility or qualified juvenile facility in which you are employed and teach
2. Enter amount of tuition paid to: Name of Institution(s)
3. Enter amount of tuition reimbursement
4. Subtract line 3 from line 2
5. Maximum credit. 1500.00
6. Enter the lesser of line 4 or line 5 here.
7. Total (Add amounts from line 6, for Taxpayers A and B) Enter here and on Part AA, line 3.

PART D - CREDIT FOR AQUACULTURE OYSTER FLOATS

- 1. Enter the amount paid to purchase an aquaculture oyster float(s) Enter here and on Part AA, line 4. This credit is limited. See Instructions.

PART E - LONG-TERM CARE INSURANCE CREDIT: (THIS IS A ONE-TIME CREDIT.)

Answer the questions and see instructions below before completing Columns A through E for each person for whom you paid long-term care insurance premiums.

- Question 1 - Did the insured individual have long-term care insurance prior to July 1, 2000?
Question 2 - Is the credit being claimed for the insured individual in this year by any other taxpayer?
Question 3 - Has credit been claimed by anyone for the insured individual in any other tax year?
Question 4 - Is the insured individual for whom the credit is being claimed a nonresident of Maryland?

If you answered YES to any of the above questions, that insured person does NOT qualify for the credit.

Complete Columns A through D only for insured individuals who qualify for credit. Enter in Column E the lesser of the amount of premium paid for each insured person or:

- \$420 for those insured who are 40 or less, as of 12/31/18
\$500 for those insured who are over age 40, as of 12/31/18.

Add the amounts in Column E and enter the total on line 5 (total) and on Part AA, line 5.

Table with 6 columns: Column A (Name of Qualifying Insured Individual), Column B (Age), Column C (Social Security No. of Insured), Column D (Relationship to Taxpayer), Column E (Amount of Premium Paid), and Column F (Credit Amount). Includes a TOTAL row at the bottom.

PART F - CREDIT FOR PRESERVATION AND CONSERVATION EASEMENTS

PTE members may not use the Form 502CR to claim this credit.

Taxpayer A

Taxpayer B

- 1. Enter the portion of the total current-year conveyance amount, and any carryover from prior year(s), attributable to each taxpayer
2. Enter the amount of any payment received for the easement by each taxpayer during 2018.
3. Subtract line 2 from line 1
4. Enter the amount from line 21 of Form 502; line 32c of Form 505; line 33 of Form 515; line 13 of Form 504 or \$5,000, whichever is less. See instructions
5. Enter the lesser of line 3 or 4 here. (If you itemize deductions, see Instruction 14.)
6. Total (Add amounts from line 5 for Taxpayers A and B.). Enter here and on Part AA, line 6
7. Excess credit carryover. Subtract line 6 from the sum of lines 3A and 3B.



NAME \_\_\_\_\_ SSN \_\_\_\_\_

PART G - VENISON DONATION - FEED THE HUNGRY ORGANIZATIONS TAX CREDIT

- 1. Enter the amount up to \$50 per deer of qualified expenses to butcher and process an antlerless deer for human consumption. Enter here and on Part AA, line 7. This credit is limited. See Instructions. Number of antlerless deer donated 1. \_\_\_\_\_

PART H - COMMUNITY INVESTMENT TAX CREDIT \*\* must attach required certification

This credit is limited to individual taxpayers who have elected not to claim this credit on Form 500CR. If you have an Excess Carryover on Form 500CR attributable to any credit other than the Community Investment Tax Credit (CITC), you are not eligible to claim the CITC on Form 502CR. You must use Form 500CR. Also, PTE members may not elect to use Form 502CR to claim the CITC.

- 1. Enter the amount of Excess CITC Carryover from 2017. 1. \_\_\_\_\_
2. Amount of approved contributions. 2. \_\_\_\_\_
3. Enter 50% of line 2. 3. \_\_\_\_\_
4. Enter the amount from line 3 or \$250,000, whichever is less. 4. \_\_\_\_\_
5. Add line 1 and line 4. Enter the result here and on Part AA, line 8. 5. \_\_\_\_\_

PART I - ENDOW MARYLAND TAX CREDIT \*\*must attach required certification

This credit is limited to individual taxpayers who have elected not to claim this credit on Form 500CR.

- 1. Enter the amount of Excess Endow Maryland Tax Credit Carryover from 2017. 1. \_\_\_\_\_
2. Amount of approved donation to a qualified permanent endowment fund. 2. \_\_\_\_\_
3. Enter 25% of line 2. 3. \_\_\_\_\_
4. Enter the amount from line 3 or \$50,000, whichever is less. 4. \_\_\_\_\_
5. Add line 1 and line 4. Enter the result here and on Part AA, line 9. 5. \_\_\_\_\_

Note: Line 2 of Part I requires an addition to income. See Instruction 12.

PART J - PRECEPTORS IN AREAS WITH HEALTH CARE WORKFORCE SHORTAGES TAX CREDIT \*\* must attach required certification

- 1. Physician Preceptorship Tax Credit: Enter amount certified by Maryland Department of Health (See Instructions). 1. \_\_\_\_\_
2. Nurse Practitioner Preceptorship Tax Credit: Enter amount certified by Maryland Department of Health (See Instructions). 2. \_\_\_\_\_
3. Add line 1 and line 2. Enter the result here and on Part AA, line 10. 3. \_\_\_\_\_

PART K - INDEPENDENT LIVING TAX CREDIT \*\* must attach required certification

- 1. Credit (certified by the Maryland Department of Housing and Community Development) Enter here and on Part AA, line 11. 1. \_\_\_\_\_

PART AA - INCOME TAX CREDIT SUMMARY

- 1. Enter the amount from Part A, line 13 (If more than one state, see Instructions.) 1. \_\_\_\_\_
2. Enter the amount from Part B, line 4. 2. \_\_\_\_\_
3. Enter the amount from Part C, line 7. 3. \_\_\_\_\_
4. Enter the amount from Part D, line 1. 4. \_\_\_\_\_
5. Enter the amount from Part E, line 5. 5. \_\_\_\_\_
6. Enter the amount from Part F, line 6. 6. \_\_\_\_\_
7. Enter the amount from Part G, line 1. 7. \_\_\_\_\_
8. Enter the amount from Part H, line 5. 8. \_\_\_\_\_
9. Enter the amount from Part I, line 5. 9. \_\_\_\_\_
10. Enter the amount from Part J, line 3. 10. \_\_\_\_\_
11. Enter the amount from Part K, line 1. 11. \_\_\_\_\_
12. Total (Add lines 1 through 11.) Enter this amount on line 24 of Form 502; line 14 of Form 504; line 34 of Form 505 or line 35 of Form 515. 12. \_\_\_\_\_

PART BB - LOCAL INCOME TAX CREDIT SUMMARY

- 1. Enter the amount from Part A, line 14 (If more than one state, see Instructions.) Enter this amount on line 31 of Form 502; line 19 of Form 504. 1. \_\_\_\_\_



18502C349

NAME \_\_\_\_\_ SSN \_\_\_\_\_

**PART CC- REFUNDABLE INCOME TAX CREDITS**

- 1. Student Loan Debt Relief Tax Credit (See Instructions.). Enter the amount and attach certification. . . . . ▶ 1. \_\_\_\_\_ . \_\_\_\_
- 2. Heritage Structure Rehabilitation Tax Credit (See Instructions for Form 502S). Attach certification(s) . . . . . ▶ 2. \_\_\_\_\_ . \_\_\_\_
- 3. Refundable Business Income Tax Credit (See Instructions for Form 500CR.) **You must file your return electronically to claim a business income tax credit.**
- 4. IRC Section 1341 Repayment Credit. (See Instructions and Administrative Release 40.) Attach documentation . . . . . ▶ 4. \_\_\_\_\_ . \_\_\_\_
- 5. Flow-through Nonresident PTE tax (See Instructions for required attachments.) . . . . . ▶ 5. \_\_\_\_\_ . \_\_\_\_
- 6. Total. (Add lines 1 through 5.) Enter this amount on line 43 of Form 502, line 46 of Form 505 or line 51 of Form 515. . . . . ▶ 6. \_\_\_\_\_ . \_\_\_\_



**GENERAL INSTRUCTIONS**

**Purpose of Form.** Form 502CR is used to claim personal income tax credits for individuals (including resident fiduciaries).

You may report the following tax credits on this form: the Credit for Income Taxes Paid to Other States and Localities, Credit for Child and Dependent Care Expenses, Quality Teacher Incentive Credit, Credit for Aquaculture Oyster Floats, Long-Term Care Insurance Credit, Credit for Preservation and Conservation Easements, Venison Donation Tax Credit, Community Investment Tax Credit, Endow Maryland Tax Credit, Preceptors in Areas with Health Care Workforce Shortages Tax Credit, Independent Living Tax Credit, Student Loan Debt Relief Tax Credit, Heritage Structure Rehabilitation Tax Credit, IRC Section 1341 Repayment Credit and Flow-Through Nonresident PTE Tax. You must file Form 500CR electronically to claim a business income tax credit other than the Community Investment Tax Credit and Endow Maryland Tax Credit.

The Student Loan Debt Relief Tax Credit, the Heritage Structure Rehabilitation Tax Credit and/or certain business tax credits from Form 500CR and the IRC Section 1341 Repayment Credit are refundable. All of the other credits may not exceed the state income tax.

Excess credit for the Preservation and Conservation Easements Tax Credit, Community Investment Tax Credit and Endow Maryland Tax Credit may be carried forward to the next tax year. Excess amounts of the other credits cannot be carried forward.

**Note: Resident fiduciaries may use Form 502CR to claim only a credit for income taxes paid to other states and/or localities or a Credit for Preservation and Conservation Easements.**

**Name and Other Information.** Type or print the name(s) as shown on Form 502, 505, 515 or 504 in the designated area. Enter the Social Security number for each taxpayer.

**Form 502CR must be attached to the annual return (Form 502, 504, 505 or 515).**

**PART A - CREDIT FOR INCOME TAXES PAID TO OTHER STATES AND LOCALITIES**

See Administrative Release #42 for detailed instructions on completing Part A.

**PART B - CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES**

If you are eligible for a Child and Dependent Care Credit on your federal income tax return for tax year 2018, you may be entitled to a credit on your Maryland state income tax return. The credit starts at 32.5% of the federal credit allowed, but is phased out for taxpayers with federal adjusted gross incomes above \$41,000 (\$20,500 for individuals who are married, but file separate income tax returns). No credit is allowed for an individual whose federal adjusted gross income exceeds \$50,000 (\$25,000 for married filing separately). Use the CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES CHART to determine the decimal amount to be entered on line 3 of Part B.

**PART C - QUALITY TEACHER INCENTIVE CREDIT**

If you are a qualified teacher, you may be able to claim a credit against your State tax liability for tuition paid to take graduate-level courses required to maintain certification. This credit applies to individuals who:

- a. Currently hold a standard professional certificate or advanced professional certificate;
- b. Are employed by a county/city board of education in Maryland, a state or local correctional facility, or a juvenile correctional facility as listed below in the note;

- c. Teach in a public school or qualified facility and receive a satisfactory performance;
- d. Successfully complete the courses with a grade of B or better; and
- e. Have not been fully reimbursed by the state/county/city for these expenses.

Only the unreimbursed portion qualifies for the credit.

Each spouse that qualifies may claim this credit. Complete a separate column in the worksheet for each spouse.

**NOTE:** Qualified juvenile facilities are: the Alfred D. Noyes Children's Center; the Baltimore City Juvenile Justice Center; the Charles H. Hickey, Jr. School; the Cheltenham Youth Facility; the J. DeWeese Carter Center; the Lower Eastern Shore Children's Center; the Thomas J. S. Waxter Children's Center; the Victor Cullen Center; the Western Maryland Children's Center; and the youth centers.

**INSTRUCTIONS**

**Line 1** Enter the name of the Maryland public school system or State or local correctional facility or qualified juvenile facility in which you are employed and teach.

**Line 2** Enter the amount of tuition paid for graduate-level courses for each qualifying teacher and the name of the institution(s) to which it was paid.

**Line 3** Enter the amount received as a reimbursement for tuition from your employer.

**Line 5** The maximum amount of credit allowed is \$1,500 for each qualifying individual.

**Line 6** The credit is limited to the amount paid less any reimbursement up to the maximum amount allowed for each qualifying individual. Enter the lesser of line 4 or line 5.

**Line 7** Enter the total of line 6, for Taxpayers A and B. Also enter this amount on Part AA, line 3.

**PART D - CREDIT FOR AQUACULTURE OYSTER FLOATS**

A credit is allowed for 100% of the amounts paid to purchase new aquaculture oyster floats that are designed to grow oysters at or under an individual homeowner's pier. The devices must be buoyant and assist in the growth of oysters for the width of the pier. In the case of a joint return, each spouse is entitled to claim the credit, provided each spouse purchases or contributes to the purchase of a float. The credit amount is limited to the lesser of the individual's state tax liability for that year or the maximum allowable credit of \$500. In the case of a joint return, each spouse must calculate his/her own state tax liability for limitation purposes.

**PART E - LONG-TERM CARE INSURANCE CREDIT**

A **one-time credit** may be claimed against the state income tax for the payment of qualified long-term care (LTC) insurance premiums as defined by the IRS (Publication 502) for a policy to insure yourself, or your spouse, parent, stepparent, child or stepchild, who is a resident of Maryland.

A credit may not be claimed if:

- a. The insured was covered by LTC insurance prior to July 1, 2000;
- b. The credit for the insured is being claimed in this year by another taxpayer;
- c. The credit is being or has been claimed by anyone in any other tax year; or

d. The insured is a nonresident of Maryland.

The credit is equal to the LTC premiums paid with a maximum per insured of:

Amount	Age of Insured as of 12/31/18
\$420	40 or less
\$500	over 40 years

**SPECIFIC INSTRUCTIONS**

- Answer Questions 1 through 4. If you answered "yes" for any of the questions, no credit is allowed for that individual.
- Complete Columns A through D of the worksheet for each qualifying insured individual who qualifies for the credit. If more space is required, attach a separate statement.
- Enter in Column E the amount of premiums paid for each qualifying insured individual up to the maximum for that age group.
- Add the amounts in Column E and enter the total on line 5. Also enter this amount on Part AA, line 5.

**PART F - CREDIT FOR PRESERVATION AND CONSERVATION EASEMENTS**

Businesses or individuals may be eligible for a credit for an easement conveyed to the Maryland Environmental Trust, the Maryland Agricultural Land Preservation Foundation or the Maryland Department of Natural Resources to preserve open space, natural resources, agriculture, forest land, watersheds, significant ecosystems, viewsheds or historic properties if:

1. the easement is perpetual;
2. the easement is accepted and approved by the Board of Public Works; and
3. the fair market value of the property before and after the conveyance of the easement is substantiated by a certified real estate appraiser.

Individuals who are eligible to claim the Credit for Preservation and Conservation Easements and who are not PTE members must claim this credit on Part F of the Form 502CR. PTE members who are eligible for this credit must claim the credit on Business Income Tax Credit Form 500CR.

The credit is equal to the difference in the fair market values of the property reduced by payments received for the easement. If the property is owned jointly by more than one individual, such as a married couple, **each individual owner is entitled to the credit based on their percentage of ownership.** The credit amount is limited to the lesser of the individual's state tax liability for that year or the maximum allowable credit of \$5,000,

per owner, who qualifies to claim the credit. Complete a separate column in the worksheet for each spouse. **In the case of a joint return,** each spouse must calculate their own state tax liability for limitation purposes. Use the rules for filing separate returns in Instruction 8 in the Resident booklet to calculate each spouse's Maryland tax. In the case of a fiduciary return, the fiduciary will complete the column for Taxpayer B only.

If the individual's allowable credit amount exceeds the maximum of \$5,000, up to \$5,000 can be carried forward each subsequent year until the allowable credit is used up or 15 years, whichever first occurs.

Complete lines 1-7 of Part F. If you itemize deductions, see Instruction 14 in the Resident booklet. For line 1, enter the amount by which the fair market value of the property before the conveyance of the easement exceeds the fair market value after the conveyance as substantiated by a certified real estate appraiser, plus any carryover from the prior year.

The carryover amount can be found on Part F, line 7 of Form 502CR for tax year 2017.

For additional information, contact the Maryland Environmental Trust at 410-514-7900, [www.dnr.state.md.us/met](http://www.dnr.state.md.us/met), the Maryland Agricultural Land Preservation Foundation at 410-841-5860, or the Department of Natural Resources at 410-260-8367.

**PART G – VENISON DONATION - FEED THE HUNGRY ORGANIZATIONS TAX CREDIT**

Individuals who hunt and harvest an antlerless deer in compliance with State hunting laws and regulations, and donate the processed meat to a venison donation program administered by an IRC section 501(c)3 tax exempt organization, may claim a credit against their State personal income tax for up to \$50 of qualified expenses to butcher and process an antlerless deer for human consumption. The total amount of the credits may not exceed \$200 in any taxable year unless the individual harvested each deer in accordance with a deer management permit. Any unused portion of the qualified expenses may not be carried over to another taxable year. No credit may be earned for any tax year beginning on or after January 1, 2023.

**PART H - COMMUNITY INVESTMENT INCOME TAX CREDIT**

Businesses or individuals who contribute to approved Community Investment Programs may be eligible for a credit against the Maryland State income tax. Contributions must be made to a nonprofit organization approved by the Department of Housing and Community Development (DHCD). The taxpayer must apply to and receive approval by the DHCD for each contribution for which a credit is claimed.

CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES CHART				
If your filing status is Married Filing Separately and your federal adjusted gross income is:		Decimal Amount	For all other filing statuses, if your federal adjusted gross income is:	
At Least	But less than		At least	But less than
\$0-	\$20,501	.3250	\$0	\$41,001
\$20,501	\$21,001	.2925	\$41,001	\$42,001
\$21,001	\$21,501	.2600	\$42,001	\$43,001
\$21,501	\$22,001	.2275	\$43,001	\$44,001
\$22,001	\$22,501	.1950	\$44,001	\$45,001
\$22,501	\$23,001	.1625	\$45,001	\$46,001
\$23,001	\$23,501	.1300	\$46,001	\$47,001
\$23,501	\$24,001	.0975	\$47,001	\$48,001
\$24,001	\$24,501	.0650	\$48,001	\$49,001
\$24,501	\$25,001	.0325	\$49,001	\$50,001
\$25,001	or over	.0000	\$50,001	or over



Individuals who are eligible to claim the Community Investment Tax Credit (CITC), and who are not PTE members may elect to claim this credit on Part H of Form 502CR, instead of claiming the credit on Form 500CR. However, an individual may not claim this credit on both Form 500CR and Form 502CR. PTE members who are eligible for this credit must claim the credit on Business Income Tax Credit Form 500CR.

Individuals who anticipate having a carryover of the CITC are advised to use Form 500CR instead of Form 502CR. Individuals who have an existing carryover on their 2017 Form 500CR may elect to use Form 502CR if their Excess Carryover Credit is attributable only to the CITC.

The credit is limited to 50% of the approved contributions (including real property) not to exceed \$250,000.

**NOTE:** A copy of the required approval from the DHCD must be included with Form 502CR.

**SPECIFIC INSTRUCTIONS**

**Line 1** Enter the amount of excess CITC carryover from 2017.

**Line 2** Enter the amount of approved contributions on line 2.

**Line 3** Enter 50% of line 2.

**Line 4** Enter the amount from line 3 or \$250,000, whichever is less.

**Line 5** Add line 1 and line 4. Enter the result on line 5 and on Part AA, line 8.

This credit is not refundable and is applied only against the Maryland State income tax. To the extent the credit is earned in any year and it exceeds the State income tax, you are entitled to an excess carryover of the credit until it is used or it expires five years after the credit was earned, whichever comes first.

For more information contact:

Department of Housing and Community Development  
Division of Neighborhood Revitalization  
2 N. Charles St., Suite 450  
Baltimore, MD 21202  
410-209-5800

[citc.nr@mdhousing.org](mailto:citc.nr@mdhousing.org)

**PART I – ENDOW MARYLAND INCOME TAX CREDIT**

A taxpayer who makes a donation to a qualified permanent endowment fund at an eligible community foundation may be eligible for a credit against the Maryland State income tax. The taxpayer must apply to the Maryland Department of Housing and Community Development (DHCD) for a certification for the donation. This certification must be attached to the Form 502CR at the time the Maryland income tax return is filed.

Individuals who are eligible to claim the Endow Maryland income tax credit, and who are not PTE members may elect to claim this credit on Part I of Form 502CR, instead of claiming the credit on Form 500CR. However, an individual may not claim this credit on both Form 500CR and Form 502CR. PTE members who are eligible for this credit must claim the credit on Business Income Tax Credit Form 500CR.

Individuals who anticipate having a carryover of the Endow Maryland income tax credit are advised to use Form 500CR, instead of Form 502CR.

The credit is limited to 25% of the approved donation (in cash or publicly traded securities) not to exceed \$50,000.

**NOTE:** A copy of the required approval from the DHCD must be included with Form 502CR.

**SPECIFIC INSTRUCTIONS**

**Line 1** Enter the amount of excess Endow Maryland Income Tax Credit carryover from 2017.

**Line 2** Enter the amount of approved donation to a qualified permanent endowment fund.

**Line 3** Enter 25% of line 2.

**Line 4** Enter the amount from line 3 or \$50,000, whichever is less.

**Line 5** Add line 1 and line 4. Enter the result on line 5 and on Part AA, line 9.

This credit is not refundable and is applied only against the Maryland State income tax. To the extent the credit is earned in any year and it exceeds the State income tax, you are entitled to an excess carryover of the credit until it is used, or it expires five years after the credit was earned, whichever comes first.

**NOTE:** The amount of donation shown on line 2 requires an addition to income. See Instruction 12 in the Maryland Resident Instruction Booklet.

For more information contact:

Department of Housing and Community Development  
Division of Neighborhood Revitalization  
2 N. Charles St., Suite 450  
Baltimore, MD 21202  
410-209-5800

[endowmaryland.nr@maryland.gov](mailto:endowmaryland.nr@maryland.gov)

**PART J – PRECEPTORS IN AREAS WITH HEALTH CARE  
WORKFORCE SHORTAGES TAX CREDIT**

If you are a qualified licensed physician or a qualified nurse practitioner who served without compensation as a preceptor, you may be eligible to claim a nonrefundable credit against your State tax liability. There are two credits for qualified preceptors. The first credit on line 1 is only available for licensed physicians. The second credit on line 2 is available for both licensed physicians and nurse practitioners.

A licensed physician who served as a physician preceptor in a preceptorship program authorized by an accredited medical school in Maryland may claim a credit on line 1 in the amount of \$1,000 for each student for whom the licensed physician served as a physician preceptor without compensation. For purposes of claiming the credit on line 1, "preceptorship program" means an organized system of clinical experience that, for the purpose of attaining specified learning objectives, pairs an enrolled student of a liaison committee on medical education-accredited medical school in Maryland or an individual in a postgraduate medical training program in Maryland with a licensed physician who meets the qualifications as a preceptor. To qualify for the credit, the licensed physician must have worked in an area of Maryland identified as having a health care workforce shortage by the Maryland Department of Health (MDH). The licensed physician must have worked a minimum of three rotations, each consisting of 160 hours of community-based clinical training. The amount of this credit may not exceed \$10,000.

A nurse practitioner or licensed physician who served as a preceptor in a preceptorship program approved by the Maryland Board of Nursing may claim a credit on line 2 in the amount of \$1,000 for each nurse practitioner student for whom the nurse practitioner or licensed physician served as a preceptor without compensation. For purposes of claiming the credit on line 2, "preceptorship program" means an organized system of clinical experience that, for the purpose of attaining specified learning objectives, pairs a nurse practitioner student enrolled in a nursing education program that is recognized by the Maryland

Board of Nursing with a nurse practitioner or licensed physician who meets the qualifications as a preceptor. To qualify for the credit, a nurse practitioner or licensed physician must have worked in an area of Maryland identified as having a health care workforce shortage by the Maryland Department of Health. The nurse practitioner or licensed physician must have worked a minimum of three rotations, each consisting of at least 100 hours of community-based clinical training. The amount of this credit may not exceed \$10,000.

Eligibility for these credits is limited to funds budgeted. Applicants seeking certification will be approved on a first-come, first-served basis. Go to the Maryland Department of Health website at [health.maryland.gov](http://health.maryland.gov) for more information.

**INSTRUCTIONS**

**Line 1** Enter on line 1 the amount of the tax credit certified by MDH for a licensed physician who served as a physician preceptor in a preceptorship program, paired with enrolled student(s) of a liaison committee on medical education-accredited medical school in Maryland or an individual in a postgraduate medical training program in Maryland

**Line 2** Enter on line 2 the amount of the tax credit certified by MDH for a nurse practitioner or licensed physician who served as a preceptor in a preceptorship program, paired with nurse practitioner student(s) enrolled in a nursing education program recognized by the Maryland Board of Nursing.

**Line 3** Add line 1 and line 2. Enter the result on line 3 and on Part AA, line 10. This credit is limited to the State tax. There is no carryover to another year.

**NOTE:** A copy of the required certification from the Maryland Department of Health must be included with Form 502CR.

**PART K – INDEPENDENT LIVING TAX CREDIT**

An individual may claim a credit against their Maryland State income tax equal to 50% of the qualified expenses incurred during a taxable year to install accessibility and universal visitability features to or within a home.

“Accessibility and universal visitability features” means components of renovation to an existing home that improves access to or within the home for individuals with disabilities.

“Qualified expenses” means costs incurred to install accessibility and universal visitability features to or within a home.

For any taxable year, the credit may not exceed the lesser of: (i) \$5,000; or (ii) the State income tax imposed for the taxable year calculated before the application of the credits allowed under §§ 10-701, 10-701.1, and 10-741 of the Tax-General Article but after the application of any other credit allowed.

The unused amount of the credit may not be carried over to any other taxable year. The credit amount is limited to the lesser of the individual's state tax liability for that year or the maximum allowable credit of \$5,000. The qualified expenses incurred must be certified by the Maryland Department of Housing and Community Development. To claim the credit, an individual shall: (i) file an amended income tax return for the taxable year in which the qualified expenses were incurred; and (ii) attach a copy of the Maryland Department of Housing and Community Development’s certification of the approved credit amount to the amended income tax return.

For more information, contact:

Maryland Department of Housing and Community Development  
7800 Harkins Road  
Lanham, Md. 20706  
301-429-7400  
[dhcd.maryland.gov/Pages/Contact-Us.aspx](http://dhcd.maryland.gov/Pages/Contact-Us.aspx)  
[customerservice.dhcd@maryland.gov](mailto:customerservice.dhcd@maryland.gov)

**PART AA - INCOME TAX CREDIT SUMMARY**

This part is to summarize Parts A through K. If the total from Part AA, line 12 exceeds the state tax, the excess will not be refunded.

**PART BB - LOCAL TAX CREDIT SUMMARY**

This part is to summarize the total local tax credit available from Part A. If the total from Part BB, line 1 exceeds the local tax, the excess will not be refunded. See the Instructions to Part A for questions concerning credit claimed for taxes paid to multiple states and/or localities.

**PART CC - REFUNDABLE INCOME TAX CREDITS**

**Line 1 STUDENT LOAN DEBT RELIEF TAX CREDIT**

The Student Loan Debt Relief Tax Credit may be claimed by certain qualified taxpayers in the amount certified by the Maryland Higher Education Commission. **Note: A copy of the required certification from the Maryland Higher Education Commission must be included with Form 502CR.** “Qualified taxpayer” means an individual who has incurred at least \$20,000 in undergraduate and/or graduate student loan debt and has at least \$5,000 in outstanding undergraduate and/or graduate student loan debt when submitting an application for certification to the Maryland Higher Education Commission. The amount of any tax credit approved by the Maryland Higher Education Commission may not exceed \$5,000. The refundable tax credit must be claimed against the State income tax for the taxable year in which the Maryland Higher Education Commission certifies the tax credit.

Individuals applying for certification should submit an application to the Maryland Higher Education Commission by September 15th of each year. The Maryland Higher Education Commission shall prioritize tax credit recipients and amounts based on qualified taxpayers who:

- (1) Have higher debt burden to income ratios;
- (2) Graduated from an institution of higher education located in Maryland;
- (3) Did not receive a tax credit in a prior year; or
- (4) Were eligible for in-state tuition.

**Specific Instructions**

Enter the amount of the certified tax credit by the Maryland Higher Education Commission on line 1.

The total amount of the credit claimed under this section shall be **recaptured** if the individual does not use the credit approved under this section for the repayment of the individual’s undergraduate and/or graduate student loan debt within 2 years from the close of the taxable year for which the credit is claimed. The individual who claimed the credit shall pay the total amount of the credit claimed as taxes payable to the State for the taxable year in which the event requiring **recapture** of the credit occurs.



For more information contact:

Maryland Higher Education Commission  
6 North Liberty Street  
Baltimore, MD 21201  
410-767-3300 or 800-974-0203  
**mhec.maryland.gov**

**Line 2 HERITAGE STRUCTURE REHABILITATION TAX CREDIT**

See instructions for Form 502S.

**Line 3 REFUNDABLE BUSINESS INCOME TAX CREDITS**

**NOTE: You must file your income tax return electronically to claim any of the refundable credits listed below:**

See Business Tax Credit Form 500CR Instructions for qualifications for the One Maryland Economic Development Tax Credit, the Biotechnology Investment Incentive Tax Credit, Clean Energy Incentive Tax Credit, Small Business Relief Tax Credit, Film Production Activity Tax Credit, Small Business Research and Development Tax Credit, the Cybersecurity Incentive Tax Credit and the Aerospace, Electronics, or Defense Contract Tax Credit. You may download instructions from our Web site at **www.marylandtaxes.gov**.

**Line 4 IRC SECTION 1341 REPAYMENT CREDIT**

If you repaid an amount this year reported as income on a prior year federal return that was greater than \$3,000, you may be eligible for an IRC Section 1341 Repayment credit. Attach documentation. For additional information, see Administrative Release 40.

**Line 5 FLOW-THROUGH NONRESIDENT PTE TAX**

If you are the beneficiary of a trust or a Qualified Subchapter S Trust for which nonresident PTE tax was paid, you may be entitled to a credit for your share of that tax. Enter the amount on this line and attach both the Maryland Schedule K-1 (504) for the trust and a copy of the Maryland Schedule K-1 (510) issued to the trust by the PTE.

If you are a member of a PTE for which nonresident tax was paid, you may be entitled to a credit for your share of that tax. Enter the amount on this line and attach Maryland Schedule K-1 (510) issued to you and to the partnership, limited liability company, or S Corporation, by the PTE.

**Line 6** Add lines 1 through 5. Enter the total on the appropriate line of the income tax form being filed.