

# HOUSE BILL 1233

Q3

11r2950

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By: **Delegate Frick**

Introduced and read first time: February 21, 2011

Assigned to: Rules and Executive Nominations

Re-referred to: Ways and Means, March 7, 2011

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Committee Report: Favorable

House action: Adopted

Read second time: March 25, 2011

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Income Tax – Withholding Statements – Electronic Submission**

3 FOR the purpose of altering the number of statements that certain payors of amounts  
4 subject to income tax withholding must be required to submit for purposes of a  
5 requirement that certain statements be submitted electronically; repealing an  
6 obsolete provision; and generally relating to a requirement to submit certain  
7 statements in a certain manner.

8 BY repealing and reenacting, with amendments,  
9 Article – Tax – General  
10 Section 10–911  
11 Annotated Code of Maryland  
12 (2010 Replacement Volume)

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

15 **Article – Tax – General**

16 10–911.

17 (a) Each employer or payor required under § 10–906 of this subtitle to  
18 withhold income tax for an employee or a person who receives a payment subject to  
19 withholding shall prepare a statement that shows for the previous calendar year:

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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.



- 1 (1) the name of the employer or payor;
- 2 (2) the name of the employee or person who receives the payment  
3 subject to withholding;
- 4 (3) the total amount that the employer paid to the employee as wages  
5 or the total amount that the payor has paid to the person;
- 6 (4) the total amount of tips that the employee reported;
- 7 (5) the total amount of income tax that has been withheld under this  
8 subtitle;
- 9 (6) any amount by which income tax required to be withheld on tips  
10 exceeds the other net wages paid to the employee; and
- 11 (7) any other information that the Comptroller requires by regulation.

12 (b) An employer or payor of a payment subject to withholding shall:

- 13 (1) provide 2 copies of the statement required under subsection (a) of  
14 this section to the employee or person who receives a payment subject to withholding  
15 on or before January 31 of each year; and
- 16 (2) submit 1 copy of the statement to the Comptroller on or before  
17 February 28 of each year.

18 (c) (1) Except as provided in paragraph (2) of this subsection, an employer  
19 or payor shall submit statements required under subsection (a) of this section on  
20 magnetic media or in other machine-readable or electronic format that the  
21 Comptroller requires by regulation, if:

22 (i) the total number of statements of that statement type that  
23 the employer or payor is required to submit equals or exceeds[:

24 1. 150 for calendar year 2006; or

25 2. 100 for a calendar year beginning after December 31,  
26 2006] **25**; or

27 (ii) a lower threshold applies for federal income tax purposes.

28 (2) The Comptroller:

29 (i) shall adopt regulations to provide a process for an employer  
30 or payor that is required to submit statements on magnetic media or in other

1 machine-readable or electronic format under paragraph (1) of this subsection to  
2 request a waiver from the requirement; and

3 (ii) may waive the requirement that an employer or payor  
4 submit statements on magnetic media or in other machine-readable or electronic  
5 format under paragraph (1) of this subsection if the Comptroller determines that the  
6 requirement will result in undue hardship to the employer or payor.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2011.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.