

# SENATE BILL 346

Q3  
SB 1052/10 – B&T

11r2009  
CF HB 11

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By: **Senator Zirkin**

Introduced and read first time: February 2, 2011

Assigned to: Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

Read second time: March 8, 2011

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

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Maryland Defense Force**

3 FOR the purpose of making certain members of the Maryland Defense Force eligible  
4 under certain circumstances for a certain subtraction modification under the  
5 Maryland income tax for qualifying volunteer fire, rescue, or emergency medical  
6 services members; providing that an individual may not qualify for the  
7 subtraction modification based on membership in the Maryland Defense Force  
8 unless the Maryland Defense Force maintains certain records and provides  
9 certain reports; providing for the application of this Act; and generally relating  
10 to a State income tax subtraction modification for certain qualifying members of  
11 the Maryland Defense Force.

12 BY repealing and reenacting, without amendments,

13 Article – Tax – General  
14 Section 10–208(a)  
15 Annotated Code of Maryland  
16 (2010 Replacement Volume)

17 BY repealing and reenacting, with amendments,

18 Article – Tax – General  
19 Section 10–208(i–1)  
20 Annotated Code of Maryland  
21 (2010 Replacement Volume)

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

3 **Article – Tax – General**

4 10–208.

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

8 (i–1) (1) The subtraction under subsection (a) of this section includes an  
9 amount equal to \$3,500 if an individual is a qualifying volunteer fire, rescue, or  
10 emergency medical services member for the taxable year, as determined under  
11 paragraph (2) of this subsection.

12 (2) An individual is a qualifying volunteer fire, rescue, or emergency  
13 medical services member for the taxable year eligible for the subtraction modification  
14 under this subsection if the individual:

15 (i) is an active member of:

16 1. a bona fide Maryland fire, rescue, or emergency  
17 medical services organization;

18 2. an auxiliary organization of a bona fide Maryland fire,  
19 rescue, or emergency medical services organization; [or]

20 3. the United States Coast Guard Auxiliary; **OR**

21 4. **THE MARYLAND DEFENSE FORCE;**

22 (ii) serves the organization in a volunteer capacity without  
23 compensation, except nominal expenses or meals;

24 (iii) 1. qualifies for active status during the taxable year  
25 under:

26 A. a volunteer fire, rescue, or emergency medical services  
27 personnel or auxiliary length of service award program operated by a county or  
28 municipal corporation of the State, if the length of service award program requires for  
29 active status qualification a minimum of 50 points per year and that points be earned  
30 in at least two different categories; or

31 B. a point system established by a county or municipal  
32 corporation that does not operate a volunteer fire, rescue, or emergency medical  
33 services personnel or auxiliary length of service award program or by the United

1 States Coast Guard Auxiliary **OR THE MARYLAND DEFENSE FORCE**, to identify  
2 active members of a volunteer fire, rescue, or emergency medical services organization  
3 or auxiliary organization, if the point system requires for active status qualification a  
4 minimum of 50 points per year and that points be earned in at least two different  
5 categories;

6 2. has maintained active status for at least 25 years  
7 under a volunteer fire, rescue, or emergency medical services personnel or auxiliary  
8 length of service award program or a point system established in lieu of a length of  
9 service award program;

10 3. is a member of the National Guard or other reserve  
11 component of the United States armed forces who has been ordered into active  
12 military service and who serves on active duty in the armed forces of the United States  
13 during the taxable year; or

14 4. is a civilian or a member of the Merchant Marine on  
15 assignment in support of the armed forces of the United States during the taxable year  
16 in an area designated as a combat zone by executive order of the President; and

17 (iv) will have been an active member of a bona fide Maryland  
18 fire, rescue, or emergency medical services organization, an auxiliary organization of a  
19 bona fide Maryland fire, rescue, or emergency medical services organization, or the  
20 United States Coast Guard Auxiliary **OR THE MARYLAND DEFENSE FORCE** for at  
21 least 36 months during the last 10 calendar years by December 31 of the taxable year.

22 (3) (i) Each fire, rescue, or emergency medical services  
23 organization or auxiliary organization shall:

24 1. maintain a record of the points earned by each  
25 individual during each calendar year;

26 2. provide each member a report identifying the number  
27 of points earned in each category by February 15 of the following year; and

28 3. provide a report that includes the names, Social  
29 Security numbers, and points earned by those members qualifying for the subtraction  
30 modification under this subsection to the Maryland State Firemen's Association by  
31 May 1 of the following year.

32 (ii) An individual may not qualify for the subtraction under this  
33 subsection based on membership in the United States Coast Guard Auxiliary **OR THE**  
34 **MARYLAND DEFENSE FORCE** unless the United States Coast Guard Auxiliary **OR**  
35 **THE MARYLAND DEFENSE FORCE**:

36 1. maintains a record of the points earned by each  
37 individual during each calendar year;

1                   2.     provides each member a report identifying the  
2 number of points earned in each category by February 15 of the following year; and

3                   3.     provides a report that includes the names, Social  
4 Security numbers, and points earned by those members qualifying for the subtraction  
5 modification under this subsection to the Comptroller on or before October 1 of each  
6 year.

7                   (4)    To qualify for the subtraction modification under this subsection,  
8 an individual shall attach to the individual's income tax return a copy of the report  
9 provided by the organization under paragraph (3) of this subsection.

10                  (5)    On or before October 1 of each year, the Maryland State Firemen's  
11 Association shall submit to the Department of Public Safety and Correctional Services  
12 and the Office of the Comptroller a report stating the participation in the point system  
13 by the various local subdivisions with the names and Social Security numbers of  
14 individuals who qualified for the subtraction modification under this subsection for the  
15 preceding taxable year.

16                  (6)    (i)    A person may not knowingly make or cause any false  
17 statement or report to be made in any application or in any document required under  
18 this subsection.

19                               (ii)   Any person who violates or attempts to violate any provision  
20 of subparagraph (i) of this paragraph shall be subject to a fine of \$1,000.

21                  SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 July 1, 2011, and shall be applicable to taxable years beginning after December 31,  
23 2011.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.