SENATE BILL 365

P1, Q3 SB 65/10 - B&T

By: Senators Peters, Astle, Brinkley, Brochin, Colburn, DeGrange, Frosh, Garagiola, Glassman, Kasemeyer, Klausmeier, Mathias, Middleton, Montgomery, Muse, Pugh, Ramirez, Raskin, Robey, and Zirkin

Introduced and read first time: February 3, 2011

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

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Maryland Veterans Trust Fund – Income Tax Checkoff

- 3 FOR the purpose of establishing an income tax checkoff for the Maryland Veterans 4 Trust Fund; requiring the Comptroller to include a checkoff on individual 5 income tax return forms for voluntary contributions to the Fund and to include 6 certain information in each individual income tax return package; requiring the 7 Comptroller to collect and account for contributions made through the checkoff system and to credit the proceeds to the Fund after deducting the amount 8 9 necessary to administer the checkoff; providing for the application of this Act; and generally relating to an income tax checkoff for contributions to the 10 11 Maryland Veterans Trust Fund.
- 12 BY repealing and reenacting, with amendments,
- 13 Article State Government
- 14 Section 9–913
- 15 Annotated Code of Maryland
- 16 (2009 Replacement Volume and 2010 Supplement)
- 17 BY adding to
- 18 Article Tax General
- 19 Section 2–114 and 10–804(j)
- 20 Annotated Code of Maryland
- 21 (2010 Replacement Volume)
- 22 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 23 MARYLAND, That the Laws of Maryland read as follows:
- 24 Article State Government

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.

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(1)

status of the Fund.

| 1 | 9–913. | | | |
|----------------|---|---|--|--|
| 2 | (a) | In this section, "Fund" means the Maryland Veterans Trust Fund. | | |
| 3 | (b) | There is a Maryland Veterans Trust Fund in the Department. | | |
| $\frac{4}{5}$ | (c) reversion un | (1) The Fund is a special, nonlapsing fund that is not subject to oder § 7–302 of the State Finance and Procurement Article. | | |
| 6 7 | Comptroller | (2) The State Treasurer shall hold the Fund separately, and the shall account for the Fund. | | |
| 8 | (d) | (1) The Secretary shall administer the Fund. | | |
| 9 10 11 | | (2) The Maryland Veterans Commission, the Maryland Veterans' Home Commission, and program directors shall advise the Secretary on the administration of the Fund. | | |
| 12 | (e) | The Fund consists of [gifts]: | | |
| 13 14 | (1) GIFTS and grants that the Department receives under § 9–912(b) of this subtitle; AND | | | |
| 15 16 17 | CHECKOFF ARTICLE. | (2) CONTRIBUTIONS TO THE FUND FROM THE INCOME TAX SYSTEM ESTABLISHED UNDER § 2–114 OF THE TAX – GENERAL | | |
| 18 | (f) | Money in the Fund may only be used to: | | |
| 19 | | (1) make grants and loans under § 9–912(b)(2)(i) of this subtitle; | | |
| 20 | | (2) be invested under § 9–912(b)(2)(ii) of this subtitle; and | | |
| 21 22 | (3) pay the costs of administering the Fund through distribution to an administrative cost account in the Department. | | | |
| 23 24 | (g) same manne | (1) The State Treasurer shall invest the money in the Fund in the er as other State money may be invested. | | |
| 25 | | (2) Any investment earnings of the Fund shall be credited to the Fund. | | |
| 26 | (h) | Money expended from the Fund is supplemental to and is not intended to | | |

On or before August 31 of each year, the Secretary shall submit a

report to the General Assembly, in accordance with § 2-1246 of this article, on the

| 1 | (2) | The report shall include: | | |
|----------------------|--|--|--|--|
| 2 | | (i) the gross amount of gifts and grants credited to the Fund; | | |
| 3 | | (ii) the costs of administration of the Fund; and | | |
| 4 | | (iii) a detailed accounting of the use of the Fund. | | |
| 5 | | Article – Tax – General | | |
| 6 | 2–114. | | | |
| 7 8 9 | (A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE "MARYLANI VETERANS TRUST FUND CONTRIBUTION". | | | |
| 10 | (2) | THE CHECKOFF SHALL STATE THAT: | | |
| 11 12 13 | (I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A JOINT RETURN, MAY CONTRIBUTE TO THE MARYLAND VETERANS TRUST FUNITHE AMOUNT DESIGNATED BY THE INDIVIDUAL; AND | | | |
| 14 15 16 | THE CONTRIBUTENTITLED; OR | (II) 1. THE INDIVIDUAL SHALL DEDUCT THE AMOUNT OF TION FROM ANY REFUND TO WHICH THE INDIVIDUAL IS | | |
| 17 18 19 | • | 2. IF THE INDIVIDUAL IS NOT ENTITLED TO A DIVIDUAL SHALL ADD THE AMOUNT OF THE CONTRIBUTION TO TO BE PAID WITH THE RETURN. | | |
| 20 21 22 23 | THE MARYLANI | THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL TURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH VETERANS TRUST FUND WAS ESTABLISHED AND THE WHICH THE FUND MAY BE USED. | | |
| 24 | (в) Тне | COMPTROLLER SHALL: | | |
| 25 26 | (1) THE STATE TREA | COLLECT THE CHECKOFF CONTRIBUTIONS AND ACCOUNT TO SURER FOR THE MONEY COLLECTED; | | |
| 27 28 | (2) AMOUNT NECES | FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE SSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN | | |

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ADMINISTRATIVE COST ACCOUNT; AND

- 1 (3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION, DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION TO THE MARYLAND VETERANS TRUST FUND ESTABLISHED UNDER § 9–913 OF THE STATE GOVERNMENT ARTICLE.
- 5 10-804.
- 6 (J) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE 7 MARYLAND VETERANS TRUST FUND ESTABLISHED UNDER § 9–913 OF THE 8 STATE GOVERNMENT ARTICLE, BY THE CHECKOFF SYSTEM ON THE RETURN.
- 9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 10 July 1, 2011, and shall be applicable to all taxable years beginning after December 31, 2010.