

SENATE BILL 774

Q3
HB 734/11 – W&M

3lr2968
CF 3lr1869

By: **Senators Mathias, Jennings, Klausmeier, Simonaire, and Young**
Introduced and read first time: February 1, 2013
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Maryland Civil Air Patrol**

3 FOR the purpose of making certain members of the Maryland Civil Air Patrol 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 Civil Air Patrol
8 unless the Maryland Civil Air Patrol maintains certain records and provides
9 certain reports; providing for a delayed effective date; providing for the
10 application of this Act; and generally relating to a State income tax subtraction
11 modification for certain qualifying members of the Maryland Civil Air Patrol.

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 and 2012 Supplement)

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 and 2012 Supplement)

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

24 **Article – Tax – General**

25 10–208.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

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

11 (i) is an active member of:

12 1. a bona fide Maryland fire, rescue, or emergency
13 medical services organization;

14 2. an auxiliary organization of a bona fide Maryland fire,
15 rescue, or emergency medical services organization;

16 3. the United States Coast Guard Auxiliary; [or]

17 4. the Maryland Defense Force; **OR**

18 **5. THE MARYLAND CIVIL AIR PATROL;**

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

21 (iii) 1. qualifies for active status during the taxable year
22 under:

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

28 B. a point system established by a county or municipal
29 corporation that does not operate a volunteer fire, rescue, or emergency medical
30 services personnel or auxiliary length of service award program or by the United
31 States Coast Guard Auxiliary, [or] the Maryland Defense Force, **OR THE MARYLAND**
32 **CIVIL AIR PATROL**, to identify active members of a volunteer fire, rescue, or
33 emergency medical services organization or auxiliary organization, if the point system
34 requires for active status qualification a minimum of 50 points per year and that
35 points be earned in at least two different categories;

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

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

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

12 (iv) will have been an active member of a bona fide Maryland
13 fire, rescue, or emergency medical services organization, an auxiliary organization of a
14 bona fide Maryland fire, rescue, or emergency medical services organization, or the
15 United States Coast Guard Auxiliary, [or] the Maryland Defense Force, **OR THE**
16 **MARYLAND CIVIL AIR PATROL** for at least 36 months during the last 10 calendar
17 years by December 31 of the taxable year.

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

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

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

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

28 (ii) An individual may not qualify for the subtraction under this
29 subsection based on membership in the United States Coast Guard Auxiliary, [or] the
30 Maryland Defense Force, **OR THE MARYLAND CIVIL AIR PATROL** unless the United
31 States Coast Guard Auxiliary, [or] the Maryland Defense Force, **OR THE MARYLAND**
32 **CIVIL AIR PATROL**:

33 1. maintains a record of the points earned by each
34 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, 2014, and shall be applicable to all taxable years beginning after December 31,
23 2014.