

SENATE BILL 344

03, Q3

7lr0662
CF HB 448

By: **Senators Feldman and Zucker**

Introduced and read first time: January 25, 2017

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 21, 2017

CHAPTER _____

1 AN ACT concerning

2 **Maryland Achieving a Better Life Experience (ABLE) Program – Account**
3 **Clarifications**

4 FOR the purpose of clarifying that a certain amount may be contributed in each calendar
5 year to an account for a disabled individual under the Maryland Achieving a Better
6 Life Experience (ABLE) Program; providing that contributions to an ABLE account
7 may not exceed a certain maximum amount; requiring the Maryland 529 Board to
8 adopt certain procedures to ensure that certain contributions to ABLE accounts do
9 not exceed a certain maximum limit; and generally relating to the Maryland ABLE
10 Program.

11 BY repealing and reenacting, without amendments,
12 Article – Education
13 Section 18–19C–01(a) through (d) and (g)
14 Annotated Code of Maryland
15 (2014 Replacement Volume and 2016 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Education
18 Section 18–19C–03(c) and 18–19C–09
19 Annotated Code of Maryland
20 (2014 Replacement Volume and 2016 Supplement)

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

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.



Article – Education

1

2 18–19C–01.

3 (a) In this subtitle the following words have the meanings indicated.

4 (b) “ABLE account” means an account described under § 529A(e) of the Internal
5 Revenue Code.6 (c) “ABLE account contributor” means an individual who contributes money to
7 an ABLE account described under § 529A(e) of the Internal Revenue Code.8 (d) “ABLE account holder” means an individual who has established an account
9 described under § 529A(e) of the Internal Revenue Code and is the designated beneficiary
10 of the account.11 (g) “Maryland ABLE Program” means a qualified ABLE program described in §
12 529A(b) of the Internal Revenue Code.

13 18–19C–03.

14 (c) (1) The Maryland ABLE Program is subject to the provisions of § 529A of
15 the Internal Revenue Code.16 (2) The Maryland ABLE Program shall include provisions for automatic
17 contributions.18 (3) Money and assets in the accounts established under the Maryland
19 ABLE Program or an ABLE program in any other state may not be considered for the
20 purpose of determining eligibility to receive, or the amount of, any assistance or benefits
21 from local or State means–tested programs.22 (4) Money and assets **CONTRIBUTED** in **EACH CALENDAR YEAR TO** the
23 account of each ABLE account holder may not exceed the amount specified in § 2503(b) of
24 the Internal Revenue Code for each calendar year in which the taxable year begins.25 **(5) CONTRIBUTIONS TO THE ACCOUNT OF EACH ABLE ACCOUNT**
26 **HOLDER MAY NOT EXCEED THE MAXIMUM AMOUNT DETERMINED BY THE BOARD TO**
27 **BE IN ACCORDANCE WITH § 529A(B)(6) OF THE INTERNAL REVENUE CODE.**

28 18–19C–09.

29 (a) The Board shall issue refunds as specified in this section.

30 (b) If the contribution of an ABLE account contributor under the Maryland ABLE
31 Program would result in aggregate contributions from all contributors to the ABLE account

1 for the taxable year exceeding the amount specified in § 2503(b) of the Internal Revenue
2 Code for each calendar year in which the taxable year begins, the Board shall issue a refund
3 to the ABLE account contributor.

4 **(C) THE BOARD SHALL ADOPT PROCEDURES TO ENSURE THAT**
5 **CONTRIBUTIONS TO THE ACCOUNT OF EACH ABLE ACCOUNT HOLDER DO NOT**
6 **EXCEED THE TOTAL MAXIMUM AMOUNT DETERMINED UNDER § 529A(B)(6) OF THE**
7 **INTERNAL REVENUE CODE.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2017.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.