

# SENATE BILL 344

03, Q3

7lr0662  
CF 7lr1199

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By: **Senators Feldman and Zucker**

Introduced and read first time: January 25, 2017

Assigned to: Budget and Taxation

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## A BILL ENTITLED

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:

23 **Article – Education**

24 18–19C–01.

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) "ABLE account" means an account described under § 529A(e) of the Internal  
2 Revenue Code.

3 (c) "ABLE account contributor" means an individual who contributes money to  
4 an ABLE account described under § 529A(e) of the Internal Revenue Code.

5 (d) "ABLE account holder" means an individual who has established an account  
6 described under § 529A(e) of the Internal Revenue Code and is the designated beneficiary  
7 of the account.

8 (g) "Maryland ABLE Program" means a qualified ABLE program described in §  
9 529A(b) of the Internal Revenue Code.

10 18–19C–03.

11 (c) (1) The Maryland ABLE Program is subject to the provisions of § 529A of  
12 the Internal Revenue Code.

13 (2) The Maryland ABLE Program shall include provisions for automatic  
14 contributions.

15 (3) Money and assets in the accounts established under the Maryland  
16 ABLE Program or an ABLE program in any other state may not be considered for the  
17 purpose of determining eligibility to receive, or the amount of, any assistance or benefits  
18 from local or State means–tested programs.

19 (4) Money and assets **CONTRIBUTED** in **EACH CALENDAR YEAR** TO the  
20 account of each ABLE account holder may not exceed the amount specified in § 2503(b) of  
21 the Internal Revenue Code for each calendar year in which the taxable year begins.

22 **(5) CONTRIBUTIONS TO THE ACCOUNT OF EACH ABLE ACCOUNT**  
23 **HOLDER MAY NOT EXCEED THE MAXIMUM AMOUNT DETERMINED BY THE BOARD TO**  
24 **BE IN ACCORDANCE WITH § 529A(B)(6) OF THE INTERNAL REVENUE CODE.**

25 18–19C–09.

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

27 (b) If the contribution of an ABLE account contributor under the Maryland ABLE  
28 Program would result in aggregate contributions from all contributors to the ABLE account  
29 for the taxable year exceeding the amount specified in § 2503(b) of the Internal Revenue  
30 Code for each calendar year in which the taxable year begins, the Board shall issue a refund  
31 to the ABLE account contributor.

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

5           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
6 1, 2017.