HOUSE BILL 389

Q3 HB 684/19 – W&M CF SB 203

By: Delegates Rogers, Wilson, Bagnall, Charles, Chisholm, Crosby, Howard, Ivey, Kipke, and P. Young

Introduced and read first time: January 22, 2020

Assigned to: Ways and Means

Committee Report: Favorable

House action: Adopted

Read second time: February 14, 2020

CHAPTER _____

1 AN ACT concerning

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Income Tax Checkoff - Maryland Veterans Trust Fund

- 3 FOR the purpose of establishing a certain income tax checkoff for voluntary contributions 4 to the Maryland Veterans Trust Fund; requiring the Comptroller to include a 5 checkoff on the individual income tax return; providing that the income tax checkoff 6 include a certain statement; requiring the Comptroller to include certain information 7 in each individual income tax return package; requiring the Comptroller to collect 8 and account for contributions made through the checkoff and to credit the proceeds 9 to the Fund after deducting the amount necessary to administer the checkoff; 10 providing that the Fund may consist of certain contributions from the income tax 11 checkoff; providing for the application of this Act; and generally relating to an income 12 tax checkoff for contributions to the Maryland Veterans Trust Fund.
- 13 BY adding to
- 14 Article Tax General
- 15 Section 2–116 and 10–804(l)
- 16 Annotated Code of Maryland
- 17 (2016 Replacement Volume and 2019 Supplement)
- 18 BY repealing and reenacting, without amendments,
- 19 Article State Government
- 20 Section 9–913(e), (f), (h), and (i)
- 21 Annotated Code of Maryland
- 22 (2014 Replacement Volume and 2019 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

ACCOUNT; AND

1 2 3	BY repealing and reenacting, with amendments, Article – State Government Section 9–913(g)		
4	Annotated Code of Maryland		
5	(2014 Replacement Volume and 2019 Supplement)		
6 7	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:		
8	Article – Tax – General		
9	2–116.		
10	(A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL		
11	INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE "MARYLAND		
12	VETERANS TRUST FUND CONTRIBUTION".		
13	(2) THE CHECKOFF SHALL STATE THAT:		
14	(I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A JOINT		
15	RETURN, MAY CONTRIBUTE TO THE MARYLAND VETERANS TRUST FUND THE		
16	AMOUNT DESIGNATED BY THE INDIVIDUAL; AND		
17	(II) 1. THE INDIVIDUAL SHALL DEDUCT THE AMOUNT OF THE		
18	CONTRIBUTION FROM ANY REFUND TO WHICH THE INDIVIDUAL IS ENTITLED; OR		
19	2. IF THE INDIVIDUAL IS NOT ENTITLED TO A REFUND,		
20	THE INDIVIDUAL SHALL ADD THE AMOUNT OF THE CONTRIBUTION TO THE INCOME		
21			
22	(3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL		
23	INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH THE		
24	MARYLAND VETERANS TRUST FUND WAS ESTABLISHED AND THE PURPOSES FOR		
25	WHICH THE FUND MAY BE USED.		
26	(B) THE COMPTROLLER SHALL:		
27	(1) COLLECT THE CHECKOFF CONTRIBUTIONS AND ACCOUNT TO THE		
28	STATE TREASURER FOR THE MONEY COLLECTED;		
29	(2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE		
30	AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF TO AN ADMINISTRATIVE COST		

AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION, 1 **(3)** 2 DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION 3 TO THE MARYLAND VETERANS TRUST FUND ESTABLISHED UNDER § 9-913 OF THE STATE GOVERNMENT ARTICLE. 4 5 10-804. 6 (L) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE MARYLAND 7 VETERANS TRUST FUND ESTABLISHED UNDER § 9-913 OF THE STATE 8 GOVERNMENT ARTICLE BY THE CHECKOFF ON THE RETURN. 9 Article - State Government 9-913. 10 11 (e) (1) There is a Maryland Veterans Trust established for the purpose of 12 providing monetary and other assistance to: 13 (i) veterans and their families; and 14 (ii) public and private programs that support veterans and their families. 15 There is a Maryland Veterans Trust Fund. 16 (2) 17 The Trust shall be a body corporate and shall have perpetual existence, subject to modification or termination by the General Assembly if necessary to effectuate 18 its purpose or if its substantial purpose ceases to exist. 19 20 The Fund consists of: (g) 21(1) gifts and grants that the Trust receives under § 9-914.2(a)(1) of this 22subtitle; [and] 23contributions to the Fund from: (2) 24the sale of tickets from instant ticket lottery machines under § 259–112(d) of this title; and 26 the donations from video lottery facility players under § 9-1A-04(d)(19) of this article; AND 27 THE NET PROCEEDS FROM CONTRIBUTIONS UNDER THE INCOME 28 **(3)**

TAX CHECKOFF ESTABLISHED UNDER § 2–116 OF THE TAX – GENERAL ARTICLE.

(h) Money in the Fund may only be used to:

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(1) make grants and loans under § 9–914.2(a)(3) of this sub	otitle;
(2) be invested under § 9–914.3(b) of this subtitle; and	
(3) pay the costs of administering the Fund through dis administrative cost account in the Department.	tribution to an
(i) Money expended from the Fund is not intended to take the p that would otherwise be appropriated to the Department.	lace of funding
SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall 1, 2020, and shall be applicable to all taxable years beginning after December 1, 2020, and shall be applicable to all taxable years beginning after December 2020.	•
Approved:	
Gov	vernor.
Speaker of the House of Dele	egates.
President of the S	Senate.