

HOUSE BILL 521

Q3

3lr2620
CF SB 76

By: **Delegates Griffith, Adams, Arentz, Arikan, Baker, Buckel, Chisholm, Ciliberti, Ghrist, Hartman, Hinebaugh, Hornberger, Hutchinson, Jacobs, A. Johnson, S. Johnson, Kipke, R. Long, McComas, Metzgar, Miller, T. Morgan, Munoz, Nawrocki, Otto, Pippy, Rose, Schmidt, Tomlinson, Valentine, and Wivell**
Introduced and read first time: February 1, 2023
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Public Safety Volunteers**

3 FOR the purpose of increasing a subtraction modification under the Maryland income tax
4 for an individual who is a qualifying public safety volunteer; and generally relating
5 to a subtraction modification under the Maryland income tax for an individual who
6 is a qualifying public safety volunteer.

7 BY repealing and reenacting, without amendments,
8 Article – Tax – General
9 Section 10–208(a)
10 Annotated Code of Maryland
11 (2022 Replacement Volume)

12 BY repealing and reenacting, with amendments,
13 Article – Tax – General
14 Section 10–208(i–1)
15 Annotated Code of Maryland
16 (2022 Replacement Volume)

17 BY repealing
18 Article – Tax – General
19 Section 10–208(l)
20 Annotated Code of Maryland
21 (2022 Replacement Volume)

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

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



1 **Article – Tax – General**

2 10–208.

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

6 (i–1) (1) **(I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE**
7 **MEANINGS INDICATED.**

8 **(II) “PUBLIC SAFETY ORGANIZATION” MEANS:**

9 1. A BONA FIDE MARYLAND POLICE AGENCY;

10 2. A BONA FIDE MARYLAND FIRE, RESCUE, OR
11 EMERGENCY MEDICAL SERVICES ORGANIZATION;

12 3. AN AUXILIARY ORGANIZATION OF A BONA FIDE
13 MARYLAND FIRE, RESCUE, OR EMERGENCY MEDICAL SERVICES ORGANIZATION;

14 4. THE UNITED STATES COAST GUARD AUXILIARY;

15 5. THE MARYLAND DEFENSE FORCE; OR

16 6. THE MARYLAND CIVIL AIR PATROL.

17 **(III) “PUBLIC SAFETY VOLUNTEER” MEANS A MEMBER OF A**
18 **PUBLIC SAFETY ORGANIZATION.**

19 **(2)** The subtraction under subsection (a) of this section includes an amount
20 equal to the amount specified in paragraph [(3)] **(4)** of this subsection if an individual is a
21 qualifying **PUBLIC SAFETY** volunteer [fire, rescue, or emergency medical services member]
22 for the taxable year, as determined under paragraph [(2)] **(3)** of this subsection.

23 **[(2)] (3)** An individual is a qualifying **PUBLIC SAFETY** volunteer [fire,
24 rescue, or emergency medical services member] for the taxable year eligible for the
25 subtraction modification under this subsection if the individual:

26 (i) is an active member of **A PUBLIC SAFETY ORGANIZATION**[:

27 1. a bona fide Maryland fire, rescue, or emergency medical
28 services organization;

29 2. an auxiliary organization of a bona fide Maryland fire,

1 rescue, or emergency medical services organization;

2 3. the United States Coast Guard Auxiliary;

3 4. the Maryland Defense Force; or

4 5. the Maryland Civil Air Patrol];

5 (ii) serves the **PUBLIC SAFETY** organization in a volunteer capacity
6 without compensation, except nominal expenses or meals;

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

8 **A. A POLICE AUXILIARY OR RESERVE VOLUNTEER**
9 **PROGRAM APPROVED BY THE POLICE TRAINING AND STANDARDS COMMISSION IN**
10 **CONJUNCTION WITH THE MARYLAND ASSOCIATION OF COUNTIES AND THE**
11 **MARYLAND MUNICIPAL LEAGUE, THAT INCLUDES UNIFORM SYSTEMS FOR**
12 **QUALIFICATION AND RECORD KEEPING, IF THE PROGRAM IS INCORPORATED INTO**
13 **THE POLICE AGENCY'S RULES AND REGULATIONS;**

14 **B.** a volunteer fire, rescue, or emergency medical services
15 personnel or auxiliary length of service award program operated by a county or municipal
16 corporation of the State, if the length of service award program requires for active status
17 qualification a minimum of 50 points per year and that points be earned in at least two
18 different categories; or

19 **[B.] C.** a point system established by a county or municipal
20 corporation that does not operate a volunteer fire, rescue, or emergency medical services
21 personnel or auxiliary length of service award program or by the United States Coast Guard
22 Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol, to identify active
23 members of a volunteer fire, rescue, or emergency medical services organization or
24 auxiliary organization, if the point system requires for active status qualification a
25 minimum of 50 points per year and that points be earned in at least two different categories;

26 2. has maintained active status for at least 25 years under:

27 **A. A POLICE AUXILIARY OR RESERVE VOLUNTEER**
28 **PROGRAM; OR**

29 **B.** a volunteer fire, rescue, or emergency medical services
30 personnel or auxiliary length of service award program or a point system established in
31 lieu of a length of service award program;

32 3. is a member of the National Guard or other reserve
33 component of the United States armed forces who has been ordered into active military
34 service and who serves on active duty in the armed forces of the United States during the

1 taxable year; or

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

5 (iv) will have been an active member of a [bona fide Maryland fire,
6 rescue, or emergency medical services organization, an auxiliary organization of a bona fide
7 Maryland fire, rescue, or emergency medical services organization, or the United States
8 Coast Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol]
9 **PUBLIC SAFETY ORGANIZATION** for at least 36 months during the last 10 calendar years
10 by December 31 of the taxable year.

11 **[(3)] (4)** The amount of the subtraction under paragraph (1) of this
12 subsection is equal to:

13 (i) **[\$4,750 for a taxable year beginning after December 31, 2017,**
14 **but before January 1, 2019;**

15 (ii) **\$5,000 for a taxable year beginning after December 31, 2018, but**
16 **before January 1, 2020;**

17 (iii) **\$6,000 for a taxable year beginning after December 31, 2019, but**
18 **before January 1, 2021;**

19 (iv) **\$6,500 for a taxable year beginning after December 31, 2020, but**
20 **before January 1, 2022; and**

21 (v) **\$7,000 for a taxable year beginning after December 31, [2021]**
22 **2022, BUT BEFORE JANUARY 1, 2024; AND**

23 **(II) \$10,000 FOR A TAXABLE YEAR BEGINNING AFTER**
24 **DECEMBER 31, 2023.**

25 **[(4)] (5) (i) EACH POLICE AGENCY SHALL:**

26 **1. MAINTAIN A RECORD OF THE ACTIVITIES OF EACH**
27 **MEMBER OF A POLICE AUXILIARY OR RESERVE DURING THE CALENDAR YEAR;**

28 **2. PROVIDE EACH MEMBER A REPORT BY FEBRUARY 15**
29 **OF THE FOLLOWING YEAR INDICATING THAT THE MEMBER QUALIFIED DURING THE**
30 **PRECEDING CALENDAR YEAR; AND**

31 **3. PROVIDE A REPORT THAT INCLUDES THE NAMES,**
32 **SOCIAL SECURITY NUMBERS, AND A CERTIFICATION THAT THE INDIVIDUAL**

1 **QUALIFIED FOR THE SUBTRACTION MODIFICATION UNDER THIS SECTION.**

2 **(II)** Each fire, rescue, or emergency medical services organization or
3 auxiliary organization shall:

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

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

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

12 **[(ii)] (III)** An individual may not qualify for the subtraction under
13 this subsection based on membership in the United States Coast Guard Auxiliary, the
14 Maryland Defense Force, or the Maryland Civil Air Patrol unless the United States Coast
15 Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol:

16 1. maintains a record of the points earned by each individual
17 during each calendar year;

18 2. provides each member a report identifying the number of
19 points earned in each category by February 15 of the following year; and

20 3. provides a report that includes the names, Social Security
21 numbers, and points earned by those members qualifying for the subtraction modification
22 under this subsection to the Comptroller on or before October 1 of each year.

23 **[(5)] (6)** To qualify for the subtraction modification under this subsection,
24 an individual shall attach to the individual's income tax return a copy of the report provided
25 by the **PUBLIC SAFETY** organization under paragraph **[(4)] (5)** of this subsection.

26 **[(6)] (7) (I) ON OR BEFORE OCTOBER 1 EACH YEAR, EACH BONA**
27 **FIDE MARYLAND POLICE AGENCY SHALL SUBMIT TO THE DEPARTMENT OF PUBLIC**
28 **SAFETY AND CORRECTIONAL SERVICES AND THE OFFICE OF THE COMPTROLLER A**
29 **REPORT LISTING THE NAMES AND SOCIAL SECURITY NUMBERS OF INDIVIDUALS**
30 **WHO QUALIFIED FOR THE SUBTRACTION MODIFICATION UNDER THIS SUBSECTION**
31 **FOR THE PRECEDING TAXABLE YEAR.**

32 **(II)** On or before October 1 of each year, the Maryland State
33 Firemen's Association shall submit to the Department of Public Safety and Correctional
34 Services and the Office of the Comptroller a report stating the participation in the point
35 system by the various local subdivisions with the names and Social Security numbers of

1 individuals who qualified for the subtraction modification under this subsection for the
2 preceding taxable year.

3 ~~[(7)]~~ (8) (i) A person may not knowingly make or cause any false
4 statement or report to be made in any application or in any document required under this
5 subsection.

6 (ii) Any person who violates or attempts to violate any provision of
7 subparagraph (i) of this paragraph shall be subject to a fine of \$1,000.

8 ~~[(1)]~~ (1) The subtraction under subsection (a) of this section includes an amount
9 equal to the amount specified in paragraph (3) of this subsection if an individual is a
10 qualifying police auxiliary or reserve volunteer for the taxable year, as determined under
11 paragraph (2) of this subsection.

12 (2) An individual is a qualifying police auxiliary or reserve volunteer for
13 the taxable year eligible for the subtraction modification under this subsection if the
14 individual:

15 (i) is an active member of a bona fide Maryland police agency;

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

18 (iii) 1. qualifies for active status during the taxable year under a
19 police auxiliary or reserve volunteer program approved by the Police Training and
20 Standards Commission in conjunction with the Maryland Association of Counties and the
21 Maryland Municipal League, that includes uniform systems for qualification and record
22 keeping, if the program is incorporated into the police agency's rules and regulations;

23 2. has maintained active status for at least 25 years under
24 the police auxiliary or reserve volunteer program;

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

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

32 (iv) will have been an active member of a bona fide police agency for
33 at least 36 months during the last 10 calendar years by December 31 of the taxable year.

34 (3) The amount of the subtraction under paragraph (1) of this subsection is
35 equal to:

1 (i) \$4,500 for a taxable year beginning after December 31, 2016, but
2 before January 1, 2018;

3 (ii) \$4,750 for a taxable year beginning after December 31, 2017, but
4 before January 1, 2019; and

5 (iii) \$5,000 for a taxable year beginning after December 31, 2018.

6 (4) Each police agency shall:

7 (i) maintain a record of the activities of each police auxiliary or
8 reserve volunteer during the calendar year;

9 (ii) provide each member a report by February 15 of the following
10 year indicating that the member qualified during the preceding calendar year; and

11 (iii) provide a report that includes the names, Social Security
12 numbers, and a certification that the individual qualified for the subtraction modification
13 under this section.

14 (5) To qualify for the subtraction modification under this subsection, an
15 individual shall attach to the individual's income tax return a copy of the report provided
16 by the police agency under paragraph (4) of this subsection.

17 (6) On or before October 1 of each year, the police agency shall submit to
18 the Department of Public Safety and Correctional Services and the Office of the
19 Comptroller a report listing the names and Social Security numbers of individuals who
20 qualified for the subtraction modification under this subsection for the preceding taxable
21 year.

22 (7) (i) A person may not knowingly make or cause any false statement
23 or report to be made in any application or in any document required under this subsection.

24 (ii) Any person who violates or attempts to violate any provision of
25 subparagraph (i) of this paragraph shall be subject to a fine of \$1,000.]

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
27 1, 2023, and shall be applicable to all taxable years beginning after December 31, 2022.