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**By: Senator Munson**

Requested: June 21, 1995

Introduced and read first time: January 10, 1996

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Breast Cancer Research Fund - Income Tax Checkoff**

3 FOR the purpose of establishing the Maryland Breast Cancer Research Fund within the  
4 Department of Health and Mental Hygiene to be used to provide grants for breast  
5 cancer research; requiring the Secretary of Health and Mental Hygiene to adopt  
6 certain regulations; requiring the Secretary to submit a certain report each year to  
7 the General Assembly on the administration of the Fund; requiring the Comptroller  
8 to include a checkoff on individual income tax return forms for voluntary  
9 contributions to the Fund and to include certain information in each individual  
10 income tax return package; requiring the Comptroller to collect and account for  
11 contributions made through the checkoff system and to credit the proceeds to the  
12 Fund after deducting the amount necessary to administer the checkoff; providing  
13 for the termination of the income tax checkoff for the Maryland Breast Cancer  
14 Research Fund under certain circumstances; providing for the application of this  
15 Act; and generally relating to the Maryland Breast Cancer Research Fund and an  
16 income tax checkoff for contributions to the Fund.

17 BY adding to

18 Article - Health - General  
19 Section 20-116  
20 Annotated Code of Maryland  
21 (1990 Replacement Volume and 1995 Supplement)

22 BY adding to

23 Article - Tax - General  
24 Section 2-112 and 10-804(g)  
25 Annotated Code of Maryland  
26 (1988 Volume and 1995 Supplement)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

28 MARYLAND, That the Laws of Maryland read as follows:

2

1 **Article - Health - General**

2 20-116.

3 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
4 INDICATED.

5 (2) "BREAST CANCER RESEARCH" INCLUDES RESEARCH TO DEVELOP  
6 AND ADVANCE THE UNDERSTANDING OF BREAST CANCER AND THE TECHNIQUES  
7 AND MODALITIES EFFECTIVE IN THE PREVENTION, CURE, SCREENING, AND  
8 TREATMENT OF BREAST CANCER.

9 (3) "FUND" MEANS THE MARYLAND BREAST CANCER RESEARCH FUND  
10 ESTABLISHED UNDER THIS SECTION.

11 (4) "INCOME TAX CHECKOFF SYSTEM" MEANS THE CHECKOFF SYSTEM  
12 ESTABLISHED UNDER § 2-112 OF THE TAX - GENERAL ARTICLE.

13 (B) (1) THERE IS A MARYLAND BREAST CANCER RESEARCH FUND.

14 (2) THE NET PROCEEDS FROM CONTRIBUTIONS UNDER THE INCOME  
15 TAX CHECKOFF SYSTEM AND ANY OTHER DONATIONS TO THE FUND SHALL BE  
16 CREDITED TO THE FUND.

17 (3) THE SECRETARY SHALL ADMINISTER THE FUND.

18 (4) THE FUND SHALL BE USED ONLY FOR BREAST CANCER RESEARCH  
19 AS PROVIDED IN SUBSECTION (C) OF THIS SECTION.

20 (5) THE FUND SHALL BE MAINTAINED FOR THE PURPOSES STATED IN  
21 THIS SECTION AND UNSPENT PORTIONS OF THE FUND SHALL REMAIN IN THE FUND  
22 AND MAY NOT REVERT TO THE GENERAL FUND OF THE STATE.

23 (6) MONEYS EXPENDED FROM THE FUND FOR BREAST CANCER  
24 RESEARCH ARE SUPPLEMENTAL AND ARE NOT INTENDED TO TAKE THE PLACE OF  
25 FUNDING THAT WOULD OTHERWISE BE APPROPRIATED TO THE DEPARTMENT FOR  
26 BREAST CANCER RESEARCH.

27 (C) (1) THE SECRETARY MAY DISTRIBUTE NOT MORE THAN 5% OF THE NET  
28 PROCEEDS OF THE FUND TO A PROMOTIONAL ACCOUNT TO BE USED TO PROMOTE  
29 FURTHER DONATIONS TO THE FUND.

30 (2) AFTER MAKING THE DISTRIBUTION ALLOWED UNDER PARAGRAPH  
31 (1) OF THIS SUBSECTION, THE SECRETARY SHALL USE THE REMAINDER OF THE NET  
32 PROCEEDS OF THE FUND ONLY TO PROVIDE GRANTS TO ELIGIBLE PHYSICIANS,  
33 HOSPITALS, LABORATORIES, EDUCATIONAL INSTITUTIONS, AND OTHER  
34 ORGANIZATIONS AND PERSONS TO CONDUCT BREAST CANCER RESEARCH.

35 (D) (1) ON OR BEFORE AUGUST 31 OF EACH YEAR, THE SECRETARY SHALL  
36 SUBMIT A REPORT TO THE GENERAL ASSEMBLY, PURSUANT TO § 2-1312 OF THE  
37 STATE GOVERNMENT ARTICLE, ON THE ADMINISTRATION OF THE MARYLAND  
38 BREAST CANCER RESEARCH FUND.

39 (2) THE REPORT REQUIRED UNDER THIS SUBSECTION SHALL INCLUDE:

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1 (I) THE GROSS AMOUNT OF DONATIONS TO THE FUND THROUGH  
2 THE INCOME TAX CHECKOFF SYSTEM AND OTHERWISE;

3 (II) THE COSTS OF ADMINISTRATION BY THE COMPTROLLER OF  
4 THE INCOME TAX CHECKOFF SYSTEM;

5 (III) A DESCRIPTION OF PROMOTIONAL EFFORTS UNDERTAKEN  
6 WITH MONEY FROM THE FUND; AND

7 (IV) A DETAILED ACCOUNTING OF THE USE OF THE FUND.

8 (E) THE SECRETARY SHALL ADOPT REGULATIONS TO IMPLEMENT A BREAST  
9 CANCER RESEARCH GRANT PROGRAM UNDER THIS SECTION.

10 **Article - Tax - General**

11 2-112.

12 (A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL INCOME  
13 TAX RETURN FORM A CHECKOFF DESIGNATED AS THE "MARYLAND BREAST  
14 CANCER RESEARCH FUND CONTRIBUTION".

15 (2) THE CHECKOFF SHALL STATE THAT:

16 (I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A JOINT  
17 RETURN, MAY CONTRIBUTE TO THE MARYLAND BREAST CANCER RESEARCH FUND  
18 THE AMOUNT DESIGNATED BY THE INDIVIDUAL; AND

19 (II) 1. THE INDIVIDUAL SHALL DEDUCT THE AMOUNT OF THE  
20 CONTRIBUTION FROM ANY REFUND TO WHICH THE INDIVIDUAL IS ENTITLED; OR

21 2. IF THE INDIVIDUAL IS NOT ENTITLED TO A REFUND, THE  
22 INDIVIDUAL SHALL ADD THE AMOUNT OF THE CONTRIBUTION TO THE INCOME TAX  
23 TO BE PAID WITH THE RETURN.

24 (3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL  
25 INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH THE  
26 MARYLAND BREAST CANCER RESEARCH FUND WAS ESTABLISHED AND THE  
27 PURPOSES FOR WHICH THE FUND MAY BE USED.

28 (B) THE COMPTROLLER SHALL:

29 (1) COLLECT THE CHECKOFF CONTRIBUTIONS AND ACCOUNT TO THE  
30 STATE TREASURER FOR THE MONEY COLLECTED;

31 (2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE AMOUNT  
32 NECESSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN ADMINISTRATIVE COST  
33 ACCOUNT; AND

34 (3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,  
35 DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS  
36 SUBSECTION TO THE MARYLAND BREAST CANCER RESEARCH FUND ESTABLISHED  
37 UNDER § 20-116 OF THE HEALTH - GENERAL ARTICLE.

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1 (C) FOR ANY TAXABLE YEAR, IF THE NET PROCEEDS CONTRIBUTED TO THE  
2 MARYLAND BREAST CANCER RESEARCH FUND THROUGH THE INCOME TAX  
3 CHECKOFF ARE NOT MORE THAN \$200,000, THE COMPTROLLER SHALL REMOVE THE  
4 CHECKOFF FOR THE FUND FROM THE INCOME TAX RETURN FORM FOR THE NEXT  
5 TAXABLE YEAR AND SUBSEQUENT TAXABLE YEARS.

6 10-804.

7 (G) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE MARYLAND  
8 BREAST CANCER RESEARCH FUND, ESTABLISHED UNDER § 20-116 OF THE HEALTH -  
9 GENERAL ARTICLE, BY THE CHECKOFF SYSTEM ON THE RETURN.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
11 July 1, 1996 and shall be applicable to all taxable years beginning after December 31,  
12 1995.