
By: **Delegates Jennings, Boteler, Boutin, Cane, Cluster, Elmore, Frank,
Glassman, Hogan, Impallaria, James, McComas, McConkey,
McDonough, McKee, Myers, O'Donnell, Owings, and Shank**

Introduced and read first time: January 30, 2004

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Checkoffs - Maryland Agricultural Land Preservation Fund and**
3 **Rural Legacy Program**

4 FOR the purpose of requiring the Comptroller to include a checkoff on individual
5 income tax return forms for voluntary contributions to the Maryland
6 Agricultural Land Preservation Fund or the Rural Legacy Program; requiring
7 the Comptroller to include certain information in each individual income tax
8 return package; requiring the Comptroller to collect and account for
9 contributions made through the checkoff system and to credit the proceeds to
10 certain programs after deducting the amount necessary to administer the
11 checkoff; providing for the application of this Act; and generally relating to
12 income tax checkoffs for contributions to the Maryland Agricultural Land
13 Preservation Fund or the Rural Legacy Program.

14 BY repealing and reenacting, with amendments,
15 Article - Agriculture
16 Section 2-505(b)
17 Annotated Code of Maryland
18 (1999 Replacement Volume and 2003 Supplement)

19 BY repealing and reenacting, without amendments,
20 Article - Natural Resources
21 Section 5-9A-01(b)
22 Annotated Code of Maryland
23 (2000 Replacement Volume and 2003 Supplement)

24 BY repealing and reenacting, with amendments,
25 Article - Natural Resources
26 Section 5-9A-01(c)
27 Annotated Code of Maryland
28 (2000 Replacement Volume and 2003 Supplement)

1 BY adding to
2 Article - Tax - General
3 Section 2-112 and 2-113
4 Annotated Code of Maryland
5 (1997 Replacement Volume and 2003 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article - Tax - General
8 Section 10-804(f)
9 Annotated Code of Maryland
10 (1997 Replacement Volume and 2003 Supplement)

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

13 **Article - Agriculture**

14 2-505.

15 (b) The Maryland Agricultural Land Preservation Fund shall comprise:

16 (1) Any money made available to the Fund by general or special fund
17 appropriations; [and]

18 (2) THE NET PROCEEDS FROM CONTRIBUTIONS UNDER THE INCOME
19 TAX CHECKOFF SYSTEM; AND

20 (3) Any OTHER money made available to the Fund by grants or transfers
21 from governmental or private sources.

22 **Article - Natural Resources**

23 5-9A-01.

24 (b) (1) A Rural Legacy Program is established to enhance natural resource,
25 agricultural, forestry, and environmental protection as provided in subsection (a) of
26 this section while maintaining the viability of resource-based land usage and proper
27 management of tillable and wooded areas through accepted agricultural and
28 silvicultural practices for farm production and timber harvests.

29 (2) The Program provides funds to the local governments and land trusts
30 to purchase interests in real property from willing sellers, including easements,
31 transferable development rights, and fee estates, focused in designated Rural Legacy
32 Areas.

33 (3) The Program shall encourage partnerships among the federal, State,
34 and local governments, and nonprofit land trust organizations and encourage local
35 land conservation initiatives.

1 (4) The Program is administered by a Rural Legacy Board in the
2 Department of Natural Resources, an advisory committee, and existing State staff.

3 (c) The Program is funded:

4 (1) Pursuant to § 13-209 of the Tax - Property Article and §
5 5-903(a)(2)(iii) of this article; [and]

6 (2) By the proceeds from the sale of general obligation bonds as provided
7 in § 5-9A-09 of this subtitle; AND

8 (3) BY THE NET PROCEEDS FROM CONTRIBUTIONS UNDER THE INCOME
9 TAX CHECKOFF SYSTEM.

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 AGRICULTURAL
14 LAND PRESERVATION 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 AGRICULTURAL LAND
18 PRESERVATION FUND 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 AGRICULTURAL LAND PRESERVATION FUND WAS ESTABLISHED AND
27 THE 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

1 (3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,
2 DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION
3 TO THE MARYLAND AGRICULTURAL LAND PRESERVATION FUND ESTABLISHED
4 UNDER § 2-505 OF THE AGRICULTURE ARTICLE.

5 2-113.

6 (A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL INCOME
7 TAX RETURN FORM A CHECKOFF DESIGNATED AS THE "RURAL LEGACY PROGRAM
8 CONTRIBUTION".

9 (2) THE CHECKOFF SHALL STATE THAT:

10 (I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A JOINT
11 RETURN, MAY CONTRIBUTE TO THE RURAL LEGACY PROGRAM THE AMOUNT
12 DESIGNATED BY THE INDIVIDUAL; AND

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

15 2. IF THE INDIVIDUAL IS NOT ENTITLED TO A REFUND, THE
16 INDIVIDUAL SHALL ADD THE AMOUNT OF THE CONTRIBUTION TO THE INCOME TAX
17 TO BE PAID WITH THE RETURN.

18 (3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL
19 INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH THE
20 RURAL LEGACY PROGRAM WAS ESTABLISHED AND THE PURPOSES FOR WHICH THE
21 FUNDS OF THE PROGRAM ARE USED.

22 (B) THE COMPTROLLER SHALL:

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

25 (2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE AMOUNT
26 NECESSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN ADMINISTRATIVE COST
27 ACCOUNT; AND

28 (3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,
29 DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION
30 TO A SPECIAL FUND, TO BE USED ONLY FOR THE RURAL LEGACY PROGRAM
31 ESTABLISHED UNDER § 5-9A-01 OF THE NATURAL RESOURCES ARTICLE.

32 10-804.

33 (f) An individual may designate a contribution BY THE CHECKOFF SYSTEM
34 ON THE RETURN to:

1 (1) the State Chesapeake Bay and Endangered Species Fund,
2 established under §§ 1-701 through 1-706 of the Natural Resources Article[, by the
3 checkoff system on the return];

4 (2) THE MARYLAND AGRICULTURAL LAND PRESERVATION FUND,
5 ESTABLISHED UNDER § 2-505 OF THE AGRICULTURE ARTICLE; AND

6 (3) THE RURAL LEGACY PROGRAM, ESTABLISHED UNDER § 5-9A-01 OF
7 THE NATURAL RESOURCES ARTICLE.

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
9 effect July 1, 2004, and shall be applicable to all taxable years beginning after
10 December 31, 2003.