

# SENATE BILL 16

Q7  
SB 350/04 – B&T

8lr4530

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By: **Senator Pipkin**  
Introduced and read first time: October 29, 2007  
Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Checkoff System – Tax Me More Voluntary Account**

3 FOR the purpose of establishing an Education Trust Fund; establishing a Tax Me  
4 More Voluntary Account to provide individuals an opportunity for voluntary  
5 payments of additional State income tax through contributions to the Account;  
6 requiring the Comptroller to include on individual income tax return forms a  
7 checkoff option allowing for a contribution to the Account; allowing individuals  
8 to deduct a contribution from a certain refund or add the contribution to certain  
9 income tax to be paid; requiring the Comptroller to collect certain contributions  
10 and distribute them in a certain manner; providing for the application of this  
11 Act; and generally relating to the Tax Me More Voluntary Account and an  
12 income tax checkoff for a contribution to the Tax Me More Voluntary Account.

13 BY adding to  
14 Article – Education  
15 Section 5–201.1  
16 Annotated Code of Maryland  
17 (2006 Replacement Volume and 2007 Supplement)

18 BY adding to  
19 Article – Tax – General  
20 Section 2–113  
21 Annotated Code of Maryland  
22 (2004 Replacement Volume and 2007 Supplement)

23 BY repealing and reenacting, with amendments,  
24 Article – Tax – General  
25 Section 10–804(f)  
26 Annotated Code of Maryland  
27 (2004 Replacement Volume and 2007 Supplement)

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



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

3 **Article - Education**

4 **5-201.1.**

5 (A) THERE IS AN EDUCATION TRUST FUND WHICH IS A SPECIAL  
6 CONTINUING, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE  
7 STATE FINANCE AND PROCUREMENT ARTICLE.

8 (B) (1) AFTER MAKING THE DISTRIBUTION REQUIRED UNDER §  
9 2-113(C)(2) OF THE TAX - GENERAL ARTICLE, THE REMAINING  
10 CONTRIBUTIONS TO THE TAX ME MORE VOLUNTARY ACCOUNT ESTABLISHED  
11 UNDER § 2-113 OF THE TAX - GENERAL ARTICLE SHALL BE CREDITED TO THE  
12 EDUCATION TRUST FUND.

13 (2) THE MONEY IN THE EDUCATION TRUST FUND SHALL BE  
14 INVESTED AND REINVESTED BY THE TREASURER, AND INTEREST AND  
15 EARNINGS SHALL ACCRUE TO THE FUND.

16 (C) THE MONEY IN THE EDUCATION TRUST FUND SHALL BE USED TO  
17 OFFSET THE TOTAL FUNDING REQUIRED TO PROVIDE AN ADEQUATE EDUCATION  
18 FOR CHILDREN ATTENDING PUBLIC SCHOOLS IN THE STATE IN  
19 PREKINDERGARTEN THROUGH GRADE 12, THROUGH IMPLEMENTATION OF THE  
20 PROGRAMS COMMONLY KNOWN AS THE BRIDGE TO EXCELLENCE IN PUBLIC  
21 SCHOOLS ACT, FIRST ENACTED BY CHAPTER 288 OF THE ACTS OF THE  
22 GENERAL ASSEMBLY OF 2002.

23 (D) EXPENDITURES FROM THE EDUCATION TRUST FUND SHALL BE  
24 MADE EACH FISCAL YEAR IN ACCORDANCE WITH THE STATE BUDGET.

25 **Article - Tax - General**

26 **2-113.**

27 (A) (1) THERE IS A TAX ME MORE VOLUNTARY ACCOUNT.

28 (2) THERE SHALL BE CREDITED TO THE ACCOUNT ALL  
29 CONTRIBUTIONS UNDER THE INCOME TAX CHECKOFF SYSTEM AND ANY OTHER  
30 DONATIONS TO THE ACCOUNT.

1           **(B) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL**  
2 **INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE “TAX ME MORE**  
3 **VOLUNTARY ACCOUNT CONTRIBUTION”.**

4           **(2) THE CHECKOFF SHALL STATE THAT:**

5                   **(I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A**  
6 **JOINT RETURN, MAY CONTRIBUTE TO THE TAX ME MORE VOLUNTARY**  
7 **ACCOUNT THE AMOUNT DESIGNATED BY THE INDIVIDUAL; AND**

8                           **(II) 1. THE INDIVIDUAL SHALL DEDUCT THE AMOUNT OF**  
9 **THE CONTRIBUTION FROM ANY REFUND TO WHICH THE INDIVIDUAL IS**  
10 **ENTITLED; OR**

11                                   **2. IF THE INDIVIDUAL IS NOT ENTITLED TO A**  
12 **REFUND, THE INDIVIDUAL SHALL ADD THE AMOUNT OF THE CONTRIBUTION TO**  
13 **THE INCOME TAX TO BE PAID WITH THE RETURN.**

14           **(C) THE COMPTROLLER SHALL:**

15                   **(1) COLLECT THE CHECKOFF CONTRIBUTIONS AND ACCOUNT TO**  
16 **THE TREASURER FOR THE MONEY COLLECTED;**

17                   **(2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE**  
18 **AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN**  
19 **ADMINISTRATIVE COST ACCOUNT; AND**

20                   **(3) DISTRIBUTE THE REMAINING MONEY COLLECTED UNDER THIS**  
21 **SUBSECTION TO THE EDUCATION TRUST FUND ESTABLISHED UNDER § 5-201.1**  
22 **OF THE EDUCATION ARTICLE.**

23 10-804.

24           **(f) (1) An individual may designate a contribution to the State**  
25 **Chesapeake Bay and Endangered Species Fund, established under §§ 1-701 through**  
26 **1-706 of the Natural Resources Article, by the checkoff system on the return.**

27                   **(2) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE**  
28 **TAX ME MORE VOLUNTARY ACCOUNT, ESTABLISHED UNDER § 2-113 OF THIS**  
29 **ARTICLE, BY THE CHECKOFF SYSTEM ON THE RETURN.**

30           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
31 July 1, 2008, and shall be applicable to all taxable years beginning after December 31,  
32 2007.