

# HOUSE BILL 1511

P3

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By: **Chair, Health and Government Operations Committee and Chair, Ways and Means Committee (By Request – Departmental – Veterans Affairs)**

Introduced and read first time: February 20, 2008

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Veterans Trust Fund**

3 FOR the purpose of establishing the Maryland Veterans Trust Fund within the  
4 Department of Veterans Affairs to be used to provide grants and loans to  
5 veterans and their families and to public and private programs that support  
6 veterans and their families; requiring the Secretary of Veterans Affairs to adopt  
7 certain regulations; requiring the Secretary to submit a certain report each year  
8 to the General Assembly on the administration of the Fund; requiring the  
9 Comptroller to include a checkoff on individual income tax return forms for  
10 voluntary contributions to the Fund and to include certain information in each  
11 individual income tax return package; requiring the Comptroller to collect and  
12 account for contributions made through the checkoff system and to credit the  
13 proceeds to the Fund after deducting the amount necessary to administer the  
14 checkoff; providing for the application of this Act; and generally relating to the  
15 administration of the Maryland Veterans Trust Fund.

16 BY adding to

17 Article – State Government

18 Section 9–949 to be under the new part “Part VII. Maryland Veterans Trust  
19 Fund”

20 Annotated Code of Maryland

21 (2004 Replacement Volume and 2007 Supplement)

22 BY adding to

23 Article – Tax – General

24 Section 2–113 and 10–804(i)

25 Annotated Code of Maryland

26 (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 – State Government**

4 **9-947. RESERVED.**

5 **9-948. RESERVED.**

6 **PART VII. MARYLAND VETERANS TRUST FUND.**

7 **9-949.**

8 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE  
9 MEANINGS INDICATED.

10 (2) “FUND” MEANS THE MARYLAND VETERANS TRUST FUND  
11 ESTABLISHED UNDER THIS SECTION.

12 (3) “INCOME TAX CHECKOFF SYSTEM” MEANS THE CHECKOFF  
13 SYSTEM ESTABLISHED UNDER § 2-113 OF THE TAX – GENERAL ARTICLE.

14 (B) (1) THERE IS A MARYLAND VETERANS TRUST FUND.

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

18 (3) THE SECRETARY SHALL ADMINISTER THE FUND.

19 (4) THE FUND SHALL BE USED ONLY FOR GRANTS AND LOANS TO  
20 VETERANS AND THEIR FAMILIES IN NEED AND TO PUBLIC AND PRIVATE  
21 PROGRAMS THAT SUPPORT VETERANS.

22 (5) (I) THE FUND SHALL BE MAINTAINED FOR THE PURPOSES  
23 STATED IN THIS SECTION.

24 (II) ANY UNSPENT MONEYS OF THE FUND SHALL REMAIN IN  
25 THE FUND AND MAY NOT REVERT TO THE GENERAL FUND OF THE STATE.

26 (6) MONEYS EXPENDED FROM THE FUND ARE SUPPLEMENTAL  
27 AND ARE NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT WOULD  
28 OTHERWISE BE APPROPRIATED TO THE DEPARTMENT FOR SUPPORT TO  
29 VETERANS.

1           **(7) THE MARYLAND VETERANS COMMISSION SHALL ADVISE THE**  
2 **SECRETARY ON THE FUND.**

3           **(C) (1) ON OR BEFORE AUGUST 31 OF EACH YEAR, THE SECRETARY**  
4 **SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH §**  
5 **2-1246 OF THIS ARTICLE, ON THE ADMINISTRATION OF THE FUND.**

6           **(2) THE REPORT REQUIRED UNDER THIS SUBSECTION SHALL**  
7 **INCLUDE:**

8                   **(I) THE GROSS AMOUNT OF DONATIONS CREDITED TO THE**  
9 **FUND THROUGH THE INCOME TAX CHECKOFF SYSTEM OR OTHER SOURCES OF**  
10 **DONATIONS;**

11                   **(II) THE COSTS OF ADMINISTRATION BY THE COMPTROLLER**  
12 **OF THE INCOME TAX CHECKOFF SYSTEM; AND**

13                   **(III) A DETAILED ACCOUNTING OF THE USE OF THE FUND.**

14           **(D) THE SECRETARY SHALL ADOPT REGULATIONS TO IMPLEMENT THE**  
15 **GRANT AND LOAN PROGRAM UNDER THIS SECTION.**

16                                   **Article - Tax - General**

17 **2-113.**

18           **(A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL**  
19 **INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE “MARYLAND**  
20 **VETERANS TRUST FUND CONTRIBUTION”.**

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

22                   **(I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A**  
23 **JOINT RETURN, MAY CONTRIBUTE TO THE MARYLAND VETERANS TRUST FUND**  
24 **THE AMOUNT DESIGNATED BY THE INDIVIDUAL; AND**

25                   **(II) 1. THE INDIVIDUAL SHALL DEDUCT THE AMOUNT OF**  
26 **THE CONTRIBUTION FROM ANY REFUND TO WHICH THE INDIVIDUAL IS**  
27 **ENTITLED; OR**

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

1           **(3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL**  
2 **INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH**  
3 **THE MARYLAND VETERANS TRUST FUND WAS ESTABLISHED AND THE**  
4 **PURPOSES FOR WHICH THE FUND MAY BE USED.**

5           **(B) THE COMPTROLLER SHALL:**

6           **(1) COLLECT THE CHECKOFF CONTRIBUTIONS AND ACCOUNT TO**  
7 **THE STATE TREASURER FOR THE MONEY COLLECTED;**

8           **(2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE**  
9 **AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN**  
10 **ADMINISTRATIVE COST ACCOUNT; AND**

11           **(3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS**  
12 **SUBSECTION, DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER**  
13 **THIS SUBSECTION TO THE MARYLAND VETERANS TRUST FUND.**

14 10-804.

15           **(I) AN INDIVIDUAL MAY DESIGNATE ON THE CHECKOFF ON THE TAX**  
16 **RETURN FORM A CONTRIBUTION TO THE MARYLAND VETERANS TRUST FUND**  
17 **ESTABLISHED UNDER § 9-949 OF THE STATE GOVERNMENT ARTICLE.**

18           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
19 July 1, 2008, and shall be applicable to all taxable years beginning after December 31,  
20 2007.