

HOUSE BILL 1061

Q3, C2

9lr0357

By: **Delegates Mizeur, Barkley, Bobo, Bronrott, Carr, Dumais, Glenn, Healey, Hecht, Manno, and Rosenberg**

Introduced and read first time: February 13, 2009

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Earned Income Credit Information Act**

3 FOR the purpose of requiring the Comptroller to prepare certain tables relating to
4 eligibility for the State earned income tax credit; requiring the Comptroller to
5 prepare and make available to employers of the State a certain notice; requiring
6 an employer to provide certain notification to an employee who may be eligible
7 for the State earned income tax credit; providing for the application of this Act;
8 and generally relating to employee notification of the State earned income tax
9 credit.

10 BY repealing and reenacting, without amendments,
11 Article – Tax – General
12 Section 10–905(a), (b), and (f)
13 Annotated Code of Maryland
14 (2004 Replacement Volume and 2008 Supplement)

15 BY adding to
16 Article – Tax – General
17 Section 10–913
18 Annotated Code of Maryland
19 (2004 Replacement Volume and 2008 Supplement)

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

22 **Article – Tax – General**

23 10–905.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In this Part II of this subtitle the following words have the meanings
2 indicated.

3 (b) (1) "Employer" has the meaning stated in § 3401 of the Internal
4 Revenue Code.

5 (2) "Employer" includes:

6 (i) the federal government;

7 (ii) the State;

8 (iii) a county, municipal corporation, political subdivision, or
9 instrumentality of the State;

10 (iv) another state to the extent that functions of its government
11 are carried on or performed in this State; and

12 (v) if the employer is a corporation:

13 1. any officer of the corporation who exercises direct
14 control over its fiscal management; and

15 2. any agent of the corporation who has a duty to
16 withhold income tax from wages.

17 (f) (1) Except as provided in paragraph (2) of this subsection, "wages"
18 means salary, wages, or compensation for personal services of any kind as defined in
19 §§ 3401 and 3402(o)(2)(A) of the Internal Revenue Code.

20 (2) "Wages" includes remuneration paid for services described in §
21 3401(a)(5) and (6) of the Internal Revenue Code.

22 **10-913.**

23 (A) (1) **FOR EACH TAXABLE YEAR, THE COMPTROLLER SHALL**
24 **PREPARE TABLES THAT SHOW THE WAGE INTERVALS ELIGIBLE FOR THE**
25 **EARNED INCOME TAX CREDIT UNDER § 10-704 OF THIS TITLE FOR THE TAXABLE**
26 **YEAR.**

27 (2) **THE COMPTROLLER SHALL PREPARE A NOTICE THAT MEETS**
28 **THE REQUIREMENTS OF SUBSECTION (B) OF THIS SECTION AND MAKE THE**
29 **NOTICE AVAILABLE TO EMPLOYERS.**

1 **(B) AN EMPLOYER SHALL PROVIDE WRITTEN NOTICE TO AN EMPLOYEE**
2 **WHO MAY BE ELIGIBLE FOR THE EARNED INCOME TAX CREDIT UNDER § 10-704**
3 **OF THIS TITLE THAT:**

4 **(1) THE EMPLOYEE MAY BE ELIGIBLE FOR THE FEDERAL EARNED**
5 **INCOME TAX CREDIT UNDER § 32 OF THE INTERNAL REVENUE CODE;**

6 **(2) THE EMPLOYEE MAY BE ELIGIBLE FOR THE EARNED INCOME**
7 **TAX CREDIT UNDER § 10-704 OF THIS TITLE;**

8 **(3) THE EMPLOYEE MUST FILE AN INCOME TAX RETURN TO**
9 **RECEIVE THE EARNED INCOME TAX CREDIT EVEN IF THE EMPLOYEE DOES NOT**
10 **OWE ANY TAXES; AND**

11 **(4) A PORTION OF THE EARNED INCOME TAX CREDIT MAY BE**
12 **REFUNDABLE.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 July 1, 2009, and shall be applicable to all taxable years beginning after December 31,
15 2008.