

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

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 25, 2009

CHAPTER _____

1 AN ACT concerning

2 **Earned Income Credit Information Act**

3 FOR the purpose of requiring the Comptroller to ~~prepare certain tables~~ publish certain
4 information relating to eligibility for the State earned income tax credit;
5 requiring the Comptroller to prepare and make available to employers of the
6 State a certain notice; requiring an employer to provide certain notification to
7 an employee who may be eligible for the State earned income tax credit;
8 providing that an employee may not pursue a private cause of action against an
9 employer for the employer's failure to provide certain notice; providing for the
10 application of this Act; and generally relating to employee notification of the
11 State earned income tax credit.

12 BY repealing and reenacting, without amendments,
13 Article – Tax – General
14 Section 10–905(a), (b), and (f)
15 Annotated Code of Maryland
16 (2004 Replacement Volume and 2008 Supplement)

17 BY adding to
18 Article – Tax – General
19 Section 10–913
20 Annotated Code of Maryland
21 (2004 Replacement Volume and 2008 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

3 **Article – Tax – General**

4 10–905.

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

7 (b) (1) “Employer” has the meaning stated in § 3401 of the Internal
8 Revenue Code.

9 (2) “Employer” includes:

10 (i) the federal government;

11 (ii) the State;

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

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

16 (v) if the employer is a corporation:

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

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

21 (f) (1) Except as provided in paragraph (2) of this subsection, “wages”
22 means salary, wages, or compensation for personal services of any kind as defined in
23 §§ 3401 and 3402(o)(2)(A) of the Internal Revenue Code.

24 (2) “Wages” includes remuneration paid for services described in §
25 3401(a)(5) and (6) of the Internal Revenue Code.

26 **10–913.**

27 (A) (1) ~~FOR ON OR BEFORE JANUARY 1 OF EACH TAXABLE YEAR, THE~~
28 ~~COMPROLLER SHALL PREPARE TABLES THAT SHOW THE WAGE INTERVALS~~
29 ~~ELIGIBLE PUBLISH THE MAXIMUM INCOME ELIGIBILITY FOR THE EARNED~~
30 ~~INCOME TAX CREDIT UNDER § 10–704 OF THIS TITLE FOR THE TAXABLE YEAR.~~

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

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

7 ~~**(1)**~~ **(I) THE EMPLOYEE MAY BE ELIGIBLE FOR THE FEDERAL**
8 **EARNED INCOME TAX CREDIT UNDER § 32 OF THE INTERNAL REVENUE CODE;**

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

11 ~~**(3)**~~ **(III) THE EMPLOYEE MUST FILE AN INCOME TAX RETURN TO**
12 **RECEIVE THE EARNED INCOME TAX CREDIT EVEN IF THE EMPLOYEE DOES NOT**
13 **OWE ANY TAXES; AND**

14 ~~**(4)**~~ **(IV) A PORTION OF THE EARNED INCOME TAX CREDIT MAY BE**
15 **REFUNDABLE.**

16 **(2) AN EMPLOYER MAY PROVIDE THE NOTICE REQUIRED UNDER**
17 **THIS SUBSECTION TO:**

18 **(I) ALL EMPLOYEES; OR**

19 **(II) EMPLOYEES WITH WAGES THAT ARE LESS THAN OR**
20 **EQUAL TO THE MAXIMUM INCOME ELIGIBILITY PUBLISHED UNDER SUBSECTION**
21 **(A) OF THIS SECTION.**

22 **(C) AN EMPLOYEE MAY NOT PURSUE A PRIVATE CAUSE OF ACTION**
23 **AGAINST AN EMPLOYER FOR THE EMPLOYER'S FAILURE TO PROVIDE THE**
24 **NOTICE REQUIRED UNDER SUBSECTION (B) OF THIS SECTION.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 July 1, 2009, and shall be applicable to all taxable years beginning after December 31,
27 ~~2008~~ 2009.