

# SENATE BILL 6

Q3, J1

9lr0384

(PRE-FILED)

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By: **Senator Harrington**

Requested: July 1, 2008

Introduced and read first time: January 14, 2009

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Checkoff System – Health Care Coverage Fund**

3 FOR the purpose of establishing a certain income tax checkoff system for voluntary  
4 contributions to the Health Care Coverage Fund; requiring the Comptroller to  
5 include a checkoff on the individual income tax return; providing that the  
6 income tax checkoff system include a certain statement; requiring the  
7 Comptroller to include certain information in each individual income tax return  
8 package; requiring the Comptroller to collect and account for contributions  
9 made through the checkoff system and to credit the proceeds to the Fund after  
10 deducting the amount necessary to administer the checkoff; providing that the  
11 Fund may consist of certain contributions from the income tax checkoff system;  
12 defining a certain term; providing for the application of this Act; and generally  
13 relating to an income tax checkoff system for contributions to the Health Care  
14 Coverage Fund.

15 BY adding to

16 Article – Tax – General  
17 Section 2–113 and 10–804(i)  
18 Annotated Code of Maryland  
19 (2004 Replacement Volume and 2008 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Health – General  
22 Section 15–701(a) and (f)  
23 Annotated Code of Maryland  
24 (2005 Replacement Volume and 2008 Supplement)

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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**Article - Tax - General**2 **2-113.**

3 (A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL  
4 INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE "HEALTH CARE  
5 COVERAGE FUND CONTRIBUTION".

6 (2) THE CHECKOFF SHALL STATE THAT:

7 (I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A  
8 JOINT RETURN, MAY CONTRIBUTE TO THE HEALTH CARE COVERAGE FUND THE  
9 AMOUNT DESIGNATED BY THE INDIVIDUAL; AND

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

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

16 (3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL  
17 INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH  
18 THE HEALTH CARE COVERAGE FUND WAS ESTABLISHED AND THE PURPOSES  
19 FOR WHICH THE FUND MAY BE USED.

20 (B) THE COMPTROLLER SHALL:

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

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

26 (3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS  
27 SUBSECTION, DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER  
28 THIS SUBSECTION TO THE HEALTH CARE COVERAGE FUND ESTABLISHED  
29 UNDER § 15-701 OF THE HEALTH - GENERAL ARTICLE.

30 10-804.

