

# HOUSE BILL 632

Q3, C2  
HB 755/10 – W&M

1lr1113  
CF SB 473

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By: **Delegates Mizeur, Barkley, Bobo, Carr, Dumais, Frick, Gilchrist, Hixson, Ivey, Lafferty, Luedtke, A. Miller, Murphy, Reznik, Rosenberg, Ross, and F. Turner**

Introduced and read first time: February 9, 2011

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Earned Income Credit Information Act**

3 FOR the purpose of requiring the Comptroller to publish certain information relating  
4 to 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 that an employee may not  
8 pursue a private cause of action against an employer for the employer's failure  
9 to provide certain notice; providing for the effective date of this Act; and  
10 generally relating to employee notification of the State earned income tax credit.

11 BY repealing and reenacting, without amendments,  
12 Article – Tax – General  
13 Section 10–905(a), (b), and (f)  
14 Annotated Code of Maryland  
15 (2010 Replacement Volume)

16 BY adding to  
17 Article – Tax – General  
18 Section 10–913  
19 Annotated Code of Maryland  
20 (2010 Replacement Volume)

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

23 **Article – Tax – General**

24 10–905.

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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) **ON OR BEFORE JANUARY 1 OF EACH CALENDAR YEAR, THE**  
24 **COMPTROLLER SHALL PUBLISH THE MAXIMUM INCOME ELIGIBILITY FOR THE**  
25 **EARNED INCOME TAX CREDIT UNDER § 10-704 OF THIS TITLE FOR THE**  
26 **CALENDAR 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.**

30 (B) (1) **ON OR BEFORE DECEMBER 31 OF EACH CALENDAR YEAR, AN**  
31 **EMPLOYER SHALL PROVIDE ELECTRONIC OR WRITTEN NOTICE TO AN**

1 EMPLOYEE WHO MAY BE ELIGIBLE FOR THE EARNED INCOME TAX CREDIT  
2 UNDER § 10-704 OF THIS TITLE THAT:

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

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

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

10 (IV) A PORTION OF THE EARNED INCOME TAX CREDIT MAY  
11 BE REFUNDABLE.

12 (2) AN EMPLOYER MAY PROVIDE THE NOTICE REQUIRED UNDER  
13 THIS SUBSECTION TO:

14 (I) ALL EMPLOYEES; OR

15 (II) EMPLOYEES WITH WAGES THAT ARE LESS THAN OR  
16 EQUAL TO THE MAXIMUM INCOME ELIGIBILITY PUBLISHED UNDER SUBSECTION  
17 (A) OF THIS SECTION.

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

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
22 January 1, 2012.