

# HOUSE BILL 91

Q3

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By: **Delegate Stifler**

Introduced and read first time: January 14, 2013

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Checkoff for Wounded Warrior Programs**

3 FOR the purpose of establishing an income tax checkoff system for voluntary  
4 contributions to the Maryland Veterans Trust Fund for services to support  
5 injured service members or Wounded Warrior programs; requiring the  
6 Comptroller to collect and account for contributions made through the income  
7 tax checkoff system and to credit the proceeds to the Maryland Veterans Trust  
8 Fund after deducting the amount necessary to administer the checkoff system;  
9 authorizing the Department of Veterans Affairs to spend contributed funding on  
10 programs to support injured service members; providing for the application of  
11 this Act; and generally relating to an income tax checkoff system for  
12 contributions to provide certain services for injured service members.

13 BY repealing and reenacting, with amendments,  
14 Article – State Government  
15 Section 9–912 and 9–913  
16 Annotated Code of Maryland  
17 (2009 Replacement Volume and 2012 Supplement)

18 BY adding to  
19 Article – Tax – General  
20 Section 2–114 and 10–804(k)  
21 Annotated Code of Maryland  
22 (2010 Replacement Volume and 2012 Supplement)

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

25 **Article – State Government**

26 9–912.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) To carry out the responsibilities and goals of the Department, the  
2 Department may acquire, hold, use, improve, and convey property.

3 (b) In addition to any other power under this section and subject to Title 7 of  
4 the State Finance and Procurement Article, to carry out the purposes or goals of the  
5 Department, the Department may:

6 (1) accept a gift or grant; and

7 (2) unless the terms of a gift or grant require otherwise, and subject to  
8 the approval of the Secretary:

9 (i) spend the principal and income of the gift or grant through  
10 grants or loans to:

11 1. veterans and their families;

12 2. public and private programs that support veterans  
13 and their families; [or]

14 **3. PROGRAMS TO SUPPORT INJURED SERVICE**  
15 **MEMBERS OR WOUNDED WARRIOR PROGRAMS; OR**

16 [3.] 4. any other programs that the Secretary  
17 considers appropriate; or

18 (ii) invest all or part of the principal and income in:

19 1. general obligations of the State; or

20 2. any other security.

21 (c) (1) Gifts and grants that the Department accepts under subsection (b)  
22 of this section shall be deposited in the Maryland Veterans Trust Fund under § 9–913  
23 of this subtitle.

24 (2) The Secretary shall adopt regulations to implement a program for  
25 gifts and grants made under subsection (b)(2) of this section.

26 (d) (1) In addition to any other power under this section, the Department  
27 may lease any part of the home property for use as a concession or other commercial  
28 purpose that is consistent with the purposes of the Department. However, the  
29 Department may not lease its property merely for investment purposes.

30 (2) Notwithstanding any other law, unless the lease expressly provides  
31 for redemption by the tenant, the lease is not subject to redemption.

1 9–913.

2 (a) In this section, “Fund” means the Maryland Veterans Trust Fund.

3 (b) There is a Maryland Veterans Trust Fund in the Department.

4 (c) (1) The Fund is a special, nonlapsing fund that is not subject to  
5 reversion under § 7–302 of the State Finance and Procurement Article.

6 (2) The State Treasurer shall hold the Fund separately, and the  
7 Comptroller shall account for the Fund.

8 (d) (1) The Secretary shall administer the Fund.

9 (2) The Maryland Veterans Commission, the Maryland Veterans’  
10 Home Commission, and program directors shall advise the Secretary on the  
11 administration of the Fund.

12 (e) The Fund consists of:

13 (1) gifts and grants that the Department receives under § 9–912(b) of  
14 this subtitle; [and]

15 (2) contributions to the Fund from the sale of tickets from instant  
16 ticket lottery machines under § 9–112(d) of this title; AND

17 **(3) CONTRIBUTIONS TO THE FUND FROM THE INCOME TAX**  
18 **CHECKOFF SYSTEM ESTABLISHED UNDER § 2–114 OF THE TAX – GENERAL**  
19 **ARTICLE.**

20 (f) Money in the Fund may only be used to:

21 (1) make grants and loans under § 9–912(b)(2)(i) of this subtitle;

22 (2) be invested under § 9–912(b)(2)(ii) of this subtitle; and

23 (3) pay the costs of administering the Fund through distribution to an  
24 administrative cost account in the Department.

25 (g) (1) The State Treasurer shall invest the money in the Fund in the  
26 same manner as other State money may be invested.

27 (2) Any investment earnings of the Fund shall be credited to the Fund.

1 (h) Money expended from the Fund is supplemental to and is not intended to  
2 take the place of funding that would otherwise be appropriated to the Department.

3 (i) (1) On or before August 31 of each year, the Secretary shall submit a  
4 report to the General Assembly, in accordance with § 2-1246 of this article, on the  
5 status of the Fund.

6 (2) The report shall include:

7 (i) the gross amount of gifts and grants credited to the Fund;

8 (ii) the costs of administration of the Fund; and

9 (iii) a detailed accounting of the use of the Fund.

10 **Article – Tax – General**

11 **2-114.**

12 **(A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL**  
13 **INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE “WOUNDED**  
14 **WARRIORS MARYLAND VETERANS TRUST FUND CONTRIBUTION”.**

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

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

19 **(II) 1. THE INDIVIDUAL SHALL DEDUCT THE AMOUNT OF**  
20 **THE CONTRIBUTION FROM ANY REFUND TO WHICH THE INDIVIDUAL IS**  
21 **ENTITLED; OR**

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

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

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

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

3           **(2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE**  
4 **AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN**  
5 **ADMINISTRATIVE COST ACCOUNT; AND**

6           **(3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS**  
7 **SUBSECTION, DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER**  
8 **THIS SUBSECTION TO THE MARYLAND VETERANS TRUST FUND ESTABLISHED**  
9 **UNDER § 9-913 OF THE STATE GOVERNMENT ARTICLE TO BE USED TO PROVIDE**  
10 **FUNDING FOR PROGRAMS TO SUPPORT INJURED SERVICE MEMBERS OR**  
11 **WOUNDED WARRIOR PROGRAMS.**

12 10-804.

13           **(K) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE**  
14 **MARYLAND VETERANS TRUST FUND, ESTABLISHED UNDER § 9-913 OF THE**  
15 **STATE GOVERNMENT ARTICLE, BY THE CHECKOFF SYSTEM ON THE RETURN.**

16           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
17 July 1, 2013, and shall be applicable to all taxable years beginning after December 31,  
18 2012.