

HOUSE BILL 1004

Q3
HB 734/11 – W&M

3lr1869
CF SB 774

By: **Delegates Cardin, Stocksdale, Aumann, Boteler, Dwyer, Eckardt, Frank, Glass, Impallaria, McConkey, McDonough, Murphy, Sophocleus, ~~and Waldstreicher~~ Waldstreicher, Afzali, and Walker**

Introduced and read first time: February 8, 2013
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 28, 2013

CHAPTER _____

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Maryland Civil Air Patrol**

3 FOR the purpose of making certain members of the Maryland Civil Air Patrol eligible
4 under certain circumstances for a certain subtraction modification under the
5 Maryland income tax for qualifying volunteer fire, rescue, or emergency medical
6 services members; providing that an individual may not qualify for the
7 subtraction modification based on membership in the Maryland Civil Air Patrol
8 unless the Maryland Civil Air Patrol maintains certain records and provides
9 certain reports; providing for a delayed effective date; providing for the
10 application of this Act; and generally relating to a State income tax subtraction
11 modification for certain qualifying members of the Maryland Civil Air Patrol.

12 BY repealing and reenacting, without amendments,
13 Article – Tax – General
14 Section 10–208(a)
15 Annotated Code of Maryland
16 (2010 Replacement Volume and 2012 Supplement)

17 BY repealing and reenacting, with amendments,
18 Article – Tax – General
19 Section 10–208(i–1)
20 Annotated Code of Maryland
21 (2010 Replacement Volume and 2012 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 10–208.

5 (a) In addition to the modification under § 10–207 of this subtitle, the
6 amounts under this section are subtracted from the federal adjusted gross income of a
7 resident to determine Maryland adjusted gross income.

8 (i–1) (1) The subtraction under subsection (a) of this section includes an
9 amount equal to \$3,500 if an individual is a qualifying volunteer fire, rescue, or
10 emergency medical services member for the taxable year, as determined under
11 paragraph (2) of this subsection.

12 (2) An individual is a qualifying volunteer fire, rescue, or emergency
13 medical services member for the taxable year eligible for the subtraction modification
14 under this subsection if the individual:

15 (i) is an active member of:

16 1. a bona fide Maryland fire, rescue, or emergency
17 medical services organization;

18 2. an auxiliary organization of a bona fide Maryland fire,
19 rescue, or emergency medical services organization;

20 3. the United States Coast Guard Auxiliary; [or]

21 4. the Maryland Defense Force; **OR**

22 **5. THE MARYLAND CIVIL AIR PATROL;**

23 (ii) serves the organization in a volunteer capacity without
24 compensation, except nominal expenses or meals;

25 (iii) 1. qualifies for active status during the taxable year
26 under:

27 A. a volunteer fire, rescue, or emergency medical services
28 personnel or auxiliary length of service award program operated by a county or
29 municipal corporation of the State, if the length of service award program requires for
30 active status qualification a minimum of 50 points per year and that points be earned
31 in at least two different categories; or

1 B. a point system established by a county or municipal
2 corporation that does not operate a volunteer fire, rescue, or emergency medical
3 services personnel or auxiliary length of service award program or by the United
4 States Coast Guard Auxiliary, [or] the Maryland Defense Force, **OR THE MARYLAND**
5 **CIVIL AIR PATROL**, to identify active members of a volunteer fire, rescue, or
6 emergency medical services organization or auxiliary organization, if the point system
7 requires for active status qualification a minimum of 50 points per year and that
8 points be earned in at least two different categories;

9 2. has maintained active status for at least 25 years
10 under a volunteer fire, rescue, or emergency medical services personnel or auxiliary
11 length of service award program or a point system established in lieu of a length of
12 service award program;

13 3. is a member of the National Guard or other reserve
14 component of the United States armed forces who has been ordered into active
15 military service and who serves on active duty in the armed forces of the United States
16 during the taxable year; or

17 4. is a civilian or a member of the Merchant Marine on
18 assignment in support of the armed forces of the United States during the taxable year
19 in an area designated as a combat zone by executive order of the President; and

20 (iv) will have been an active member of a bona fide Maryland
21 fire, rescue, or emergency medical services organization, an auxiliary organization of a
22 bona fide Maryland fire, rescue, or emergency medical services organization, or the
23 United States Coast Guard Auxiliary, [or] the Maryland Defense Force, **OR THE**
24 **MARYLAND CIVIL AIR PATROL** for at least 36 months during the last 10 calendar
25 years by December 31 of the taxable year.

26 (3) (i) Each fire, rescue, or emergency medical services
27 organization or auxiliary organization shall:

28 1. maintain a record of the points earned by each
29 individual during each calendar year;

30 2. provide each member a report identifying the number
31 of points earned in each category by February 15 of the following year; and

32 3. provide a report that includes the names, Social
33 Security numbers, and points earned by those members qualifying for the subtraction
34 modification under this subsection to the Maryland State Firemen's Association by
35 May 1 of the following year.

36 (ii) An individual may not qualify for the subtraction under this
37 subsection based on membership in the United States Coast Guard Auxiliary, [or] the

1 Maryland Defense Force, **OR THE MARYLAND CIVIL AIR PATROL** unless the United
2 States Coast Guard Auxiliary, [or] the Maryland Defense Force, **OR THE MARYLAND**
3 **CIVIL AIR PATROL**:

4 1. maintains a record of the points earned by each
5 individual during each calendar year;

6 2. provides each member a report identifying the
7 number of points earned in each category by February 15 of the following year; and

8 3. provides a report that includes the names, Social
9 Security numbers, and points earned by those members qualifying for the subtraction
10 modification under this subsection to the Comptroller on or before October 1 of each
11 year.

12 (4) To qualify for the subtraction modification under this subsection,
13 an individual shall attach to the individual's income tax return a copy of the report
14 provided by the organization under paragraph (3) of this subsection.

15 (5) On or before October 1 of each year, the Maryland State Firemen's
16 Association shall submit to the Department of Public Safety and Correctional Services
17 and the Office of the Comptroller a report stating the participation in the point system
18 by the various local subdivisions with the names and Social Security numbers of
19 individuals who qualified for the subtraction modification under this subsection for the
20 preceding taxable year.

21 (6) (i) A person may not knowingly make or cause any false
22 statement or report to be made in any application or in any document required under
23 this subsection.

24 (ii) Any person who violates or attempts to violate any provision
25 of subparagraph (i) of this paragraph shall be subject to a fine of \$1,000.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 2014, and shall be applicable to all taxable years beginning after December 31,
28 2014.