

# HOUSE BILL 686

Q3  
HB 1521/14 – W&M

5lr2353

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By: **Delegates C. Wilson, Afzali, Beidle, Bromwell, Brooks, Carozza, Chang, Davis, Dumais, Hill, S. Howard, Kramer, Lam, McConkey, McDonough, McKay, O'Donnell, Otto, Proctor, Reznik, Smith, Sophocleus, and Vogt**

Introduced and read first time: February 12, 2015

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Checkoff – Maryland Veterans Trust Fund**

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

14 BY adding to  
15 Article – Tax – General  
16 Section 2–115 and 10–804(l)  
17 Annotated Code of Maryland  
18 (2010 Replacement Volume and 2014 Supplement)

19 BY repealing and reenacting, without amendments,  
20 Article – State Government  
21 Section 9–913(e), (f), (h), and (i)  
22 Annotated Code of Maryland  
23 (2014 Replacement Volume)

24 BY repealing and reenacting, with amendments,  
25 Article – State Government  
26 Section 9–913(g)

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland  
2 (2014 Replacement Volume)

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

5 **Article – Tax – General**

6 **2–115.**

7 **(A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL**  
8 **INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE “MARYLAND**  
9 **VETERANS TRUST FUND CONTRIBUTION”.**

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

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

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

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

19 **(3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL**  
20 **INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH THE**  
21 **MARYLAND VETERANS TRUST FUND WAS ESTABLISHED AND THE PURPOSES FOR**  
22 **WHICH THE FUND MAY BE USED.**

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

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

26 **(2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE**  
27 **AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN**  
28 **ADMINISTRATIVE COST ACCOUNT; AND**

29 **(3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,**  
30 **DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION**

1 TO THE MARYLAND VETERANS TRUST FUND ESTABLISHED UNDER § 9-913 OF THE  
2 STATE GOVERNMENT ARTICLE.

3 10-804.

4 (L) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE MARYLAND  
5 VETERANS TRUST FUND ESTABLISHED UNDER § 9-913 OF THE STATE  
6 GOVERNMENT ARTICLE BY THE CHECKOFF SYSTEM ON THE RETURN.

7 Article – State Government

8 9-913.

9 (e) (1) There is a Maryland Veterans Trust established for the purpose of  
10 providing monetary and other assistance to:

11 (i) veterans and their families; and

12 (ii) public and private programs that support veterans and their  
13 families.

14 (2) There is a Maryland Veterans Trust Fund.

15 (f) The Trust shall be a body corporate and shall have perpetual existence,  
16 subject to modification or termination by the General Assembly if necessary to effectuate  
17 its purpose or if its substantial purpose ceases to exist.

18 (g) The Fund consists of:

19 (1) gifts and grants that the Trust receives under § 9-914.2(a)(1) of this  
20 subtitle; [and]

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

23 (3) THE NET PROCEEDS FROM CONTRIBUTIONS UNDER THE INCOME  
24 TAX CHECKOFF SYSTEM ESTABLISHED UNDER § 2-115 OF THE TAX – GENERAL  
25 ARTICLE.

26 (h) Money in the Fund may only be used to:

27 (1) make grants and loans under § 9-914.2(a)(3) of this subtitle;

28 (2) be invested under § 9-914.3(b) of this subtitle; and

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

3                   (i)    Money expended from the Fund is not intended to take the place of funding  
4 that would otherwise be appropriated to the Department.

5                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
6 1, 2015, and shall be applicable to all taxable years beginning after December 31, 2014.