

Chapter 538

(Senate Bill 185)

AN ACT concerning

Income Tax – Filing of Withholding Statements ~~and Payment of Refund Claims~~

FOR the purpose of altering the date by which certain payors of amounts subject to income tax withholding are required to provide the Comptroller a copy of a certain statement; ~~prohibiting the Comptroller from paying a certain claim for refund of income tax before a certain date except under certain circumstances;~~ and generally relating to the filing of certain statements of withholding ~~and the payment of certain income tax refund claims.~~

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 10-911(b) ~~and 13-905~~
Annotated Code of Maryland
(2010 Replacement Volume and 2015 Supplement)

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

Article – Tax – General

10-911.

(b) [An] **ON OR BEFORE JANUARY 31 OF EACH YEAR** AN employer or payor of a payment subject to withholding shall:

(1) provide 2 copies of the statement required under subsection (a) of this section to the employee or person who receives a payment subject to withholding [on or before January 31 of each year]; and

(2) submit 1 copy of the statement to the Comptroller [on or before February 28 of each year].

~~13-905.~~

~~(a) Subject to the additional provisions under this section, a tax collector shall pay any claim for refund that has been allowed by the tax collector unless:~~

~~(1) the claimant has not paid all other taxes, fees, or charges payable to the State; or~~

~~(2) the amount of the refund due is less than \$1.~~

~~(b) FOR A CLAIM FOR REFUND OF INCOME TAX, THE COMPTROLLER MAY NOT PAY THE CLAIM BEFORE MARCH 1 OF EACH YEAR UNLESS THE COMPTROLLER DETERMINES THAT:~~

~~(1) THE EMPLOYER OF THE INDIVIDUAL CLAIMING THE REFUND HAS FILED A COPY OF THE STATEMENT FOR THE PREVIOUS CALENDAR YEAR IN ACCORDANCE WITH § 10-911 OF THIS ARTICLE; AND~~

~~(2) THE INDIVIDUAL HAS FILED A RETURN IN ACCORDANCE WITH TITLE 10, SUBTITLE 8 OF THIS ARTICLE.~~

~~(c) If a claim for refund of income tax is based on a return that is filed jointly by the personal representative and surviving spouse of a decedent, the Comptroller shall pay the claim to the estate of the decedent.~~

~~[(e)] (D) The payment of income tax refunds is subject to tax refund interception under § 10-113 of the Family Law Article and §§ 13-912 through 13-919 of this subtitle.~~

~~[(d)] (E) The Comptroller may not pay a refund of excess motor carrier tax credit unless the motor carrier has complied with Title 9, Subtitle 2 of this article and regulations adopted under it for a full registration year and the Comptroller, in the Comptroller's discretion, allows the refund.~~

~~[(e)] (F) For a claim of refund for sales and use tax, the Comptroller shall either:~~

~~(1) pay the refund; or~~

~~(2) allow a credit of the amount of the refund on subsequent sales and use tax payments due from the claimant.~~

~~[(f)] (G) If requested by a claimant on a form provided by the Comptroller, the Comptroller shall directly deposit portions of an income tax refund into at least two accounts at one or more financial institutions.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016.

Approved by the Governor, May 19, 2016.