

SENATE BILL 729

Q3
SB 855/15 – B&T

6lr2058
CF HB 1097

By: **Senators Hershey, Eckardt, Mathias, and Norman**

Introduced and read first time: February 5, 2016

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: March 14, 2016

CHAPTER _____

1 AN ACT concerning

2 **Maryland Income Tax Refunds – Eastern Shore Counties – Warrant Intercept**
3 **Program**

4 FOR the purpose of altering the requirement for the Comptroller to withhold Maryland
5 income tax refunds of certain individuals with outstanding warrants to include
6 residents of the Eastern Shore counties or individuals who have outstanding
7 warrants from an Eastern Shore county; making nonsubstantive changes to certain
8 termination provisions; making conforming changes; providing for a delayed
9 effective date for certain provisions of this Act; and generally relating to withholding
10 income tax refunds of individuals with outstanding warrants.

11 BY repealing and reenacting, without amendments,
12 Article – Tax – General
13 Section 13–935 and 13–937 through 13–940
14 Annotated Code of Maryland
15 (2010 Replacement Volume and 2015 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Tax – General
18 Section 13–936
19 Annotated Code of Maryland
20 (2010 Replacement Volume and 2015 Supplement)

21 BY repealing and reenacting, with amendments,

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 Chapter 451 of the Acts of the General Assembly of 2012, as amended by Chapter
2 213 of the Acts of the General Assembly of 2013
3 Section 3

4 BY repealing and reenacting, with amendments,
5 Chapter 213 of the Acts of the General Assembly of 2013
6 Section 3

7 BY repealing and reenacting, with amendments,
8 Article – Tax – General
9 Section 13–936(a)
10 Annotated Code of Maryland
11 (2010 Replacement Volume and 2015 Supplement)
12 (As enacted by Section 1 of this Act)

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

15 **Article – Tax – General**

16 13–935.

17 (a) In this part the following words have the meanings indicated.

18 (b) “Refund” means an individual’s Maryland income tax refund.

19 (c) (1) “Warrant” means a criminal arrest warrant.

20 (2) “Warrant” includes a warrant issued for or that results from:

21 (i) a failure to appear before a court of the State;

22 (ii) a violation of the Maryland Vehicle Law that is punishable by a
23 term of confinement; or

24 (iii) a violation of probation.

25 (3) “Warrant” does not include a body attachment.

26 (d) “Warrant official” means an official of the federal, State, or local government
27 charged with serving a warrant.

28 13–936.

29 (a) This part applies only to individuals who:

30 (1) are residents of:

- 1 (I) Anne Arundel County[,];
- 2 (II) Baltimore City[, or];
- 3 (III) CAROLINE COUNTY;
- 4 (IV) CECIL COUNTY;
- 5 (V) DORCHESTER COUNTY;
- 6 (VI) KENT COUNTY;
- 7 (VII) QUEEN ANNE’S COUNTY;
- 8 (VIII) SOMERSET COUNTY;
- 9 (IX) TALBOT COUNTY;
- 10 (X) Washington County; [or]
- 11 (XI) WICOMICO COUNTY; OR
- 12 (XII) WORCESTER COUNTY; OR

13 (2) have an outstanding warrant from [Anne Arundel County, Baltimore
 14 City, or Washington County] **ANY COUNTY SPECIFIED IN PARAGRAPH (1) OF THIS**
 15 **SUBSECTION.**

16 (b) This part does not apply to an individual:

- 17 (1) who is an active duty member of the armed forces of the United States;
- 18 or
- 19 (2) who files a joint Maryland income tax return.

20 13–937.

21 A warrant official may:

- 22 (1) certify to the Comptroller the existence of an outstanding warrant for
 23 an individual who is a resident of Maryland or who receives income from Maryland; and
- 24 (2) request the Comptroller to withhold any refund to which the individual
 25 is entitled.

1 13-938.

2 (a) A certification by a warrant official to the Comptroller shall include:

3 (1) the full name and address of the individual and any other names known
4 to be used by the individual;

5 (2) the Social Security number or federal tax identification number; and

6 (3) a statement that the warrant is outstanding.

7 (b) The Comptroller shall determine if an individual for whom a certification is
8 received is due a refund.

9 (c) As to any individual due a refund for whom a certification is received, the
10 Comptroller shall:

11 (1) withhold the individual's refund; and

12 (2) notify the individual of a certification by the warrant official of the
13 existence of an outstanding warrant.

14 (d) The Comptroller may not pay a refund until the warrant official notifies the
15 Comptroller that the warrant is no longer outstanding.

16 13-939.

17 The Comptroller shall withhold and pay any amount as provided in § 13-918 of this
18 subtitle before withholding any part of an income tax refund under § 13-938 of this part.

19 13-940.

20 On or before December 1 of each year, the Office of the Comptroller shall report to
21 the House Ways and Means Committee and the Senate Budget and Taxation Committee,
22 in accordance with § 2-1246 of the State Government Article, on the implementation of §§
23 13-935 through 13-939 of this part.

24 **Chapter 451 of the Acts of 2012, as amended by Chapter 213 of the Acts of 2013**

25 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2012. [Section 1 of this Act shall remain effective for a period of 6 years and, at
27 the end of September 30, 2018, with no further action required by the General Assembly,
28 Section 1 of this Act shall be abrogated and of no further force and effect.]

29 **Chapter 213 of the Acts of 2013**

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2013. [Section 1 of this Act shall remain effective until the taking effect of the
3 termination provision specified in Section 3 of Chapter 451 of the Acts of 2012. If that
4 termination provision takes effect, Section 1 of this Act shall be abrogated and of no further
5 force and effect.]

6 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
7 as follows:

8 **Article – Tax – General**

9 13–936.

10 (a) This part applies only to individuals who:

11 (1) are residents of:

12 (i) [Anne Arundel County;

13 (ii)] Baltimore City;

14 [(iii)] (II) Caroline County;

15 [(iv)] (III) Cecil County;

16 [(v)] (IV) Dorchester County;

17 [(vi)] (V) Kent County;

18 [(vii)] (VI) Queen Anne’s County;

19 [(viii)] (VII) Somerset County;

20 [(ix)] (VIII) Talbot County;

21 [(x)] (IX) Washington County;

22 [(xi)] (X) Wicomico County; or

23 [(xii)] (XI) Worcester County; or

24 (2) have an outstanding warrant from any county specified in paragraph
25 (1) of this subsection.

26 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
27 effect October 1, 2018.

1 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section
2 3 of this Act, this Act shall take effect October 1, 2016.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.