

HOUSE BILL 562

Q3

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By: **Delegates Cox, Hornberger, Long, Mangione, Metzgar, and Shoemaker**

Introduced and read first time: January 27, 2020

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Volunteer Fire, Rescue, and**
3 **Emergency Medical Services Personnel**
4 **(First Responders Tax Benefit Act)**

5 FOR the purpose of altering certain service requirements for a subtraction modification
6 under the Maryland income tax for certain volunteer fire, rescue, or emergency
7 medical services; making conforming changes; providing for the application of this
8 Act; and generally relating to a subtraction modification under the Maryland income
9 tax for volunteer fire, rescue, or emergency medical services members.

10 BY repealing and reenacting, without amendments,
11 Article – Tax – General
12 Section 10–208(a) and (i–1)(1) and (3)
13 Annotated Code of Maryland
14 (2016 Replacement Volume and 2019 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Tax – General
17 Section 10–208(i–1)(2) and (4)
18 Annotated Code of Maryland
19 (2016 Replacement Volume and 2019 Supplement)

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

22 **Article – Tax – General**

23 10–208.

24 (a) In addition to the modification under § 10–207 of this subtitle, the amounts
25 under this section are subtracted from the federal adjusted gross income of a resident to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 determine Maryland adjusted gross income.

2 (i-1) (1) The subtraction under subsection (a) of this section includes an amount
3 equal to the amount specified in paragraph (3) of this subsection if an individual is a
4 qualifying volunteer fire, rescue, or emergency medical services member for the taxable
5 year, as determined under paragraph (2) of this subsection.

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

9 (i) is an active member of:

10 1. a bona fide Maryland fire, rescue, or emergency medical
11 services organization;

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

14 3. the United States Coast Guard Auxiliary;

15 4. the Maryland Defense Force; or

16 5. the Maryland Civil Air Patrol;

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

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

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

25 B. a point system established by a county or municipal
26 corporation that does not operate a volunteer fire, rescue, or emergency medical services
27 personnel or auxiliary length of service award program or by the United States Coast Guard
28 Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol, to identify active
29 members of a volunteer fire, rescue, or emergency medical services organization or
30 auxiliary organization, if the point system requires for active status qualification a
31 minimum of [50] 30 points per year [and that points be earned in at least two different
32 categories];

33 2. has maintained active status for at least 25 years under a
34 volunteer fire, rescue, or emergency medical services personnel or auxiliary length of

1 service award program or a point system established in lieu of a length of service award
2 program;

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

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

10 (iv) will have been an active member of a bona fide Maryland fire,
11 rescue, or emergency medical services organization, an auxiliary organization of a bona fide
12 Maryland fire, rescue, or emergency medical services organization, or the United States
13 Coast Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol for
14 at least [36] 12 months during the last 10 calendar years by December 31 of the taxable
15 year.

16 (3) The amount of the subtraction under paragraph (1) of this subsection is
17 equal to:

18 (i) \$4,750 for a taxable year beginning after December 31, 2017, but
19 before January 1, 2019;

20 (ii) \$5,000 for a taxable year beginning after December 31, 2018, but
21 before January 1, 2020;

22 (iii) \$6,000 for a taxable year beginning after December 31, 2019, but
23 before January 1, 2021;

24 (iv) \$6,500 for a taxable year beginning after December 31, 2020, but
25 before January 1, 2022; and

26 (v) \$7,000 for a taxable year beginning after December 31, 2021.

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

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

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

33 3. provide a report that includes the names, Social Security
34 numbers, and points earned by those members qualifying for the subtraction modification

1 under this subsection to the Maryland State Firemen's Association by May 1 of the
2 following year.

3 (ii) An individual may not qualify for the subtraction under this
4 subsection based on membership in the United States Coast Guard Auxiliary, the Maryland
5 Defense Force, or the Maryland Civil Air Patrol unless the United States Coast Guard
6 Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol:

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

9 2. provides each member a report identifying the number of
10 points earned [in each category] by February 15 of the following year; and

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

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
15 1, 2020, and shall be applicable to all taxable years beginning after December 31, 2019.