

# SENATE BILL 620

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By: **Senator Edwards**

Introduced and read first time: January 29, 2021

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification for Volunteer Fire, Rescue, or**  
3 **Emergency Medical Services Members – Active Status Points**

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

9 BY repealing and reenacting, without amendments,  
10 Article – Tax – General  
11 Section 10–208(a)  
12 Annotated Code of Maryland  
13 (2016 Replacement Volume and 2020 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Tax – General  
16 Section 10–208(i–1)  
17 Annotated Code of Maryland  
18 (2016 Replacement Volume and 2020 Supplement)

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

21 **Article – Tax – General**

22 10–208.

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

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

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

8 (i) is an active member of:

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

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

13 3. the United States Coast Guard Auxiliary;

14 4. the Maryland Defense Force; or

15 5. the Maryland Civil Air Patrol;

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

18 (iii) 1. **EXCEPT AS PROVIDED IN PARAGRAPH (3) OF THIS**  
19 **SUBSECTION**, 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 points per year and that points be earned in at least two  
24 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 points per year and that points be earned in at least two different categories;

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

1 program;

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

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

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

14 **(3) NOTWITHSTANDING PARAGRAPH (2)(III)1 OF THIS SUBSECTION,**  
15 **IF A VOLUNTEER FIRE, RESCUE, OR EMERGENCY MEDICAL SERVICES ORGANIZATION**  
16 **OR AN AUXILIARY ORGANIZATION TEMPORARILY CEASES OPERATIONS DUE TO A**  
17 **PUBLIC HEALTH EMERGENCY, THE MINIMUM NUMBER OF POINTS REQUIRED TO**  
18 **QUALIFY FOR ACTIVE STATUS UNDER THIS SUBSECTION, ROUNDED DOWN TO THE**  
19 **NEAREST WHOLE NUMBER, SHALL BE DETERMINED BY MULTIPLYING THE NUMBER**  
20 **OF DAYS IN THE CALENDAR YEAR THE ORGANIZATION CEASES ITS OPERATIONS BY A**  
21 **FRACTION:**

22 **(I) THE NUMERATOR OF WHICH IS THE MINIMUM NUMBER OF**  
23 **POINTS REQUIRED UNDER PARAGRAPH (2)(III)1 OF THIS SUBSECTION; AND**

24 **(II) THE DENOMINATOR OF WHICH IS THE NUMBER OF DAYS IN**  
25 **A CALENDAR YEAR.**

26 **[(3)] (4)** The amount of the subtraction under paragraph (1) of this  
27 subsection is equal to:

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

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

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

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

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

2 **[(4)] (5)** (i) Each fire, rescue, or emergency medical services  
3 organization or auxiliary organization shall:

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

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

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

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

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

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

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

23 **[(5)] (6)** To qualify for the subtraction modification under this subsection,  
24 an individual shall attach to the individual's income tax return a copy of the report provided  
25 by the organization under paragraph **[(4)] (5)** of this subsection.

26 **[(6)] (7)** On or before October 1 of each year, the Maryland State  
27 Firemen's Association shall submit to the Department of Public Safety and Correctional  
28 Services and the Office of the Comptroller a report stating the participation in the point  
29 system by the various local subdivisions with the names and Social Security numbers of  
30 individuals who qualified for the subtraction modification under this subsection for the  
31 preceding taxable year.

32 **[(7)] (8)** (i) A person may not knowingly make or cause any false  
33 statement or report to be made in any application or in any document required under this  
34 subsection.

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

3           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
4 1, 2021, and shall be applicable to all taxable years beginning after December 31, 2020.