

# SENATE BILL 94

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SB 122/22 – B&T

(PRE-FILED)

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By: ~~Senator Jackson~~ Senators Jackson, Bailey, Benson, Corderman, Elfreth, Guzzone, Hettleman, Jennings, King, McCray, Rosapepe, Salling, and Zucker

Requested: November 16, 2022

Introduced and read first time: January 11, 2023

Assigned to: Budget and Taxation

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 14, 2023

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – ~~Volunteer Fire, Rescue, and~~**  
3 **~~Emergency Medical Services~~ Public Safety Volunteers**

4 FOR the purpose of increasing the amount of a subtraction modification under the  
5 Maryland income tax for ~~certain qualifying volunteer fire, rescue, and emergency~~  
6 ~~medical services members~~ an individual who is a qualifying public safety volunteer  
7 beginning in a certain taxable year; and generally relating to a subtraction  
8 modification under the Maryland income tax for qualifying ~~volunteer fire, rescue,~~  
9 ~~and emergency medical services members~~ public safety volunteers.

10 BY repealing and reenacting, without amendments,

11 Article – Tax – General  
12 Section 10-208(a) ~~and (i-1)(1)~~  
13 Annotated Code of Maryland  
14 (2022 Replacement Volume)

15 BY repealing and reenacting, with amendments,

16 Article – Tax – General  
17 Section ~~10-208(i-1)(3)~~ 10-208(i-1)  
18 Annotated Code of Maryland  
19 (2022 Replacement Volume)

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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 BY repealing

2 Article – Tax – General

3 Section 10–208(l)

4 Annotated Code of Maryland

5 (2022 Replacement Volume)

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

8 **Article – Tax – General**

9 10–208.

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

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

17 ~~(i-1) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE~~  
18 ~~MEANINGS INDICATED.~~

19 ~~(II) “PUBLIC SAFETY ORGANIZATION” MEANS:~~

20 ~~1. A BONA FIDE MARYLAND POLICE AGENCY;~~

21 ~~2. A BONA FIDE MARYLAND FIRE, RESCUE, OR~~  
22 ~~EMERGENCY MEDICAL SERVICES ORGANIZATION;~~

23 ~~3. AN AUXILIARY ORGANIZATION OF A BONA FIDE~~  
24 ~~MARYLAND FIRE, RESCUE, OR EMERGENCY MEDICAL SERVICES ORGANIZATION;~~

25 ~~4. THE UNITED STATES COAST GUARD AUXILIARY;~~

26 ~~5. THE MARYLAND DEFENSE FORCE; OR~~

27 ~~6. THE MARYLAND CIVIL AIR PATROL.~~

28 ~~(III) “PUBLIC SAFETY VOLUNTEER” MEANS A MEMBER OF A~~  
29 ~~PUBLIC SAFETY ORGANIZATION.~~

30 ~~(2) The subtraction under subsection (a) of this section includes an amount~~  
31 ~~equal to the amount specified in paragraph [(3)] (4) of this subsection if an individual is a~~

1 qualifying PUBLIC SAFETY volunteer [fire, rescue, or emergency medical services member]  
2 for the taxable year, as determined under paragraph [(2)] (3) of this subsection.

3 [(2)] (3) An individual is a qualifying PUBLIC SAFETY volunteer [fire,  
4 rescue, or emergency medical services member] for the taxable year eligible for the  
5 subtraction modification under this subsection if the individual:

6 (i) is an active member of[:

7 1. a bona fide Maryland fire, rescue, or emergency medical  
8 services organization;

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

11 3. the United States Coast Guard Auxiliary;

12 4. the Maryland Defense Force; or

13 5. the Maryland Civil Air Patrol] A PUBLIC SAFETY  
14 ORGANIZATION;

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

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

18 A. A POLICE AUXILIARY OR RESERVE VOLUNTEER  
19 PROGRAM APPROVED BY THE MARYLAND POLICE TRAINING AND STANDARDS  
20 COMMISSION IN CONJUNCTION WITH THE MARYLAND ASSOCIATION OF COUNTIES  
21 AND THE MARYLAND MUNICIPAL LEAGUE, THAT INCLUDES UNIFORM SYSTEMS FOR  
22 QUALIFICATION AND RECORD KEEPING, IF THE PROGRAM IS INCORPORATED INTO  
23 THE POLICE AGENCY'S RULES AND REGULATIONS;

24 B. a volunteer fire, rescue, or emergency medical services  
25 personnel or auxiliary length of service award program operated by a county or municipal  
26 corporation of the State, if the length of service award program requires for active status  
27 qualification a minimum of 50 points per year and that points be earned in at least two  
28 different categories; or

29 [B.] C. a point system established by a county or municipal  
30 corporation that does not operate a volunteer fire, rescue, or emergency medical services  
31 personnel or auxiliary length of service award program or by the United States Coast Guard  
32 Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol, to identify active  
33 members of a volunteer fire, rescue, or emergency medical services organization or

1 auxiliary organization, if the point system requires for active status qualification a  
 2 minimum of 50 points per year and that points be earned in at least two different categories;

3                   2. has maintained active status for at least 25 years under:

4                   **A. A POLICE AUXILIARY OR RESERVE VOLUNTEER**  
 5 **PROGRAM; OR**

6                   **B. a volunteer fire, rescue, or emergency medical services**  
 7 **personnel or auxiliary length of service award program or a point system established in**  
 8 **lieu of a length of service award program;**

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

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

16                   (iv) will have been an active member of a [bona fide Maryland fire,  
 17 rescue, or emergency medical services organization, an auxiliary organization of a bona fide  
 18 Maryland fire, rescue, or emergency medical services organization, or the United States  
 19 Coast Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol]  
 20 **PUBLIC SAFETY ORGANIZATION** for at least 36 months during the last 10 calendar years  
 21 by December 31 of the taxable year.

22                   ~~(3)~~ **(4)**           The amount of the subtraction under paragraph (1) of this  
 23 subsection is equal to:

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

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

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

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

32                   ~~(v)~~           \$7,000 for a taxable year beginning after December 31, ~~2021~~  
 33 **2022, BUT BEFORE JANUARY 1, 2024; AND**

1                                   ~~(VI)~~ **(II)**       **\$10,000** FOR A TAXABLE YEAR BEGINNING AFTER  
2 **DECEMBER 31, 2023.**

3                                   **[(4)] (5)**       **(i)**       **EACH POLICE AGENCY SHALL:**

4   **1.       MAINTAIN A RECORD OF THE ACTIVITIES OF EACH**  
5 **MEMBER OF A POLICE AUXILIARY OR RESERVE DURING THE CALENDAR YEAR;**

6   **2.       PROVIDE EACH MEMBER A REPORT BY FEBRUARY 15**  
7 **OF THE FOLLOWING YEAR INDICATING THAT THE MEMBER QUALIFIED DURING THE**  
8 **PRECEDING CALENDAR YEAR; AND**

9   **3.       PROVIDE A REPORT THAT INCLUDES THE NAMES, THE**  
10 **SOCIAL SECURITY NUMBERS, AND A CERTIFICATION THAT THE INDIVIDUAL**  
11 **QUALIFIED FOR THE SUBTRACTION MODIFICATION UNDER THIS SECTION.**

12   **(II)**       **Each fire, rescue, or emergency medical services organization or**  
13 **auxiliary organization shall:**

14   **1.       maintain a record of the points earned by each individual**  
15 **during each calendar year;**

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

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

22   **[(ii)] (III)**       **An individual may not qualify for the subtraction under**  
23 **this subsection based on membership in the United States Coast Guard Auxiliary, the**  
24 **Maryland Defense Force, or the Maryland Civil Air Patrol unless the United States Coast**  
25 **Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol:**

26   **1.       maintains a record of the points earned by each individual**  
27 **during each calendar year;**

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

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

1 [(5)] (6) To qualify for the subtraction modification under this subsection,  
2 an individual shall attach to the individual's income tax return a copy of the report provided  
3 by the PUBLIC SAFETY organization under paragraph [(4)] (5) of this subsection.

4 [(6)] (7) (I) ON OR BEFORE OCTOBER 1 EACH YEAR, EACH BONA  
5 FIDE MARYLAND POLICE AGENCY SHALL SUBMIT TO THE DEPARTMENT OF PUBLIC  
6 SAFETY AND CORRECTIONAL SERVICES AND THE OFFICE OF THE COMPTROLLER A  
7 REPORT LISTING THE NAMES AND SOCIAL SECURITY NUMBERS OF INDIVIDUALS  
8 WHO QUALIFIED FOR THE SUBTRACTION MODIFICATION UNDER THIS SUBSECTION  
9 FOR THE PRECEDING TAXABLE YEAR.

10 (II) On or before October 1 of each year, the Maryland State  
11 Firemen's Association shall submit to the Department of Public Safety and Correctional  
12 Services and the Office of the Comptroller a report stating the participation in the point  
13 system by the various local subdivisions with the names and Social Security numbers of  
14 individuals who qualified for the subtraction modification under this subsection for the  
15 preceding taxable year.

16 [(7)] (8) (i) A person may not knowingly make or cause any false  
17 statement or report to be made in any application or in any document required under this  
18 subsection.

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

21 [(1)] (1) The subtraction under subsection (a) of this section includes an amount  
22 equal to the amount specified in paragraph (3) of this subsection if an individual is a  
23 qualifying police auxiliary or reserve volunteer for the taxable year, as determined under  
24 paragraph (2) of this subsection.

25 (2) An individual is a qualifying police auxiliary or reserve volunteer for  
26 the taxable year eligible for the subtraction modification under this subsection if the  
27 individual:

28 (i) is an active member of a bona fide Maryland police agency;

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

31 (iii) 1. qualifies for active status during the taxable year under a  
32 police auxiliary or reserve volunteer program approved by the Police Training and  
33 Standards Commission in conjunction with the Maryland Association of Counties and the  
34 Maryland Municipal League, that includes uniform systems for qualification and record  
35 keeping, if the program is incorporated into the police agency's rules and regulations;

1                   2.     has maintained active status for at least 25 years under  
2 the police auxiliary or reserve volunteer 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 police agency for  
11 at least 36 months during the last 10 calendar years by December 31 of the taxable year.

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

14                  (i)     \$4,500 for a taxable year beginning after December 31, 2016, but  
15 before January 1, 2018;

16                  (ii)    \$4,750 for a taxable year beginning after December 31, 2017, but  
17 before January 1, 2019; and

18                  (iii)   \$5,000 for a taxable year beginning after December 31, 2018.

19                  (4)    Each police agency shall:

20                  (i)     maintain a record of the activities of each police auxiliary or  
21 reserve volunteer during the calendar year;

22                  (ii)    provide each member a report by February 15 of the following  
23 year indicating that the member qualified during the preceding calendar year; and

24                  (iii)   provide a report that includes the names, Social Security  
25 numbers, and a certification that the individual qualified for the subtraction modification  
26 under this section.

27                  (5)    To qualify for the subtraction modification under this subsection, an  
28 individual shall attach to the individual's income tax return a copy of the report provided  
29 by the police agency under paragraph (4) of this subsection.

30                  (6)    On or before October 1 of each year, the police agency shall submit to  
31 the Department of Public Safety and Correctional Services and the Office of the  
32 Comptroller a report listing the names and Social Security numbers of individuals who  
33 qualified for the subtraction modification under this subsection for the preceding taxable  
34 year.

1                   (7)    (i)    A person may not knowingly make or cause any false statement  
2 or report to be made in any application or in any document required under this subsection.

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

5           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
6 1, 2023, and shall be applicable to all taxable years beginning after December 31, 2022.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.