

# **Maryland Military Coalition Written Testimony SB 3**

Uploaded by: DAVID Dragics

Position: FAV



# MARYLAND MILITARY COALITION

*Serving Veterans through Legislative Advocacy*

February 16, 2023

The Honorable Guy Guzzone  
Chair, Budget and Taxation Committee  
3 West  
Miller Senate Office Building  
Annapolis, MD 21401

Subject: **Request for FAVORABLE Report** – SB 354 - Income Tax Checkoff – Maryland Veterans Trust Fund

Dear Chair Guzzone and distinguished members of the Budget and Taxation Committee:

On behalf of the members of the Maryland Military Coalition (MMC) and as its Legislative Director, I write to recommend a **FAVORABLE report** by the Committee on ***SB 354, Income Tax Checkoff – Maryland Veterans Trust Fund*** (Fund), sponsored by Senator Dawn Gile. This bill will provide a means for those who file an individual income tax return to make a voluntary contribution to the Fund by a checkoff on Maryland Form 502.

The Maryland Veterans Trust Fund is a 501c3 organization that provides non-emergency financial assistance to veterans and widows/widowers of veterans. The Fund receives funding from citizens, veteran service organizations, local businesses, community-sponsored fundraisers, the Maryland State Lottery, and six of the state's 15 licensed casinos. The Fund currently has extremely low visibility and public awareness. There is no known advertising or soliciting for the Fund other than its website as part of the Maryland.gov URL. This lack of knowledge by the public is reflected in the low level of donations reported annually – in 2022, just 2% of the overall donations.

Currently, the Fund's vast majority sources of revenue are from the Maryland State Lottery and the casinos. Since FY 2018, their share of annual revenue has ranged from 81% to 98%. During the same period, revenue from the public sector mentioned above has declined from a high of 19% to only 2% in FY2022.<sup>1</sup> At no time during this timeframe has the annual total received from this group ever been more than approximately \$22,000. The Coalition believes this level of donations needs to be changed for the betterment of the Fund in the long term.

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<sup>1</sup> <https://msa.maryland.gov/msa/mdmanual/25ind/html/76veterans.html>, Annual Reports for Fiscal Years 2018 - 2022

Per the Fund's website, in the last two years record assistance has been granted to veterans and widows/widowers in need of financial assistance. By including the Fund in the Contributions section of Maryland Form 502, this will create more awareness of the Fund and increase the level of giving by citizens, thereby enhancing the Fund's ability to serve its purpose of assisting with non-emergency, temporary financial challenges facing veterans or widows/widowers of veterans. In short, the more funding the Fund has, the more it can help those who apply to it for financial assistance.

The one-time cost of adding the Fund to the Contributions section of Maryland Form 502 is estimated at approximately \$79,000 in one-time computer programming expenses in the Fiscal and Policy Note for cross-filed HB 316.<sup>2</sup> The MMC believes the only additional cost would be the preparation of an advertisement that explains the purpose of the Fund in the Maryland State & Local Tax Forms & Instructions booklet prepared annually by the Comptroller of Maryland.

The Maryland Military Coalition **strongly supports** SB 354 and asks for a **FAVORABLE** report from the Budget and Taxation Committee. Providing an income tax checkoff for the Fund provides Maryland residents a convenient means to help those veterans needing its assistance.

The Maryland Military Coalition is a registered non-profit, non-partisan advocacy organization comprised of prominent Maryland-based veteran and military groups, representing over 150,000 service-connected individuals, including those currently serving, veterans, retirees and their families, caregivers, and survivors.

The Coalition would like to thank Senator Dawn Gile for sponsoring this legislation. We appreciate her leadership on this issue and look forward to continuing our work with her on it.

Respectfully,



David L. Dragics  
COL USA (Ret)  
Legislative Director

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<sup>2</sup> [https://mgaleg.maryland.gov/2023RS/fnotes/bil\\_0006/hb0316.pdf](https://mgaleg.maryland.gov/2023RS/fnotes/bil_0006/hb0316.pdf)

**Member Organizations, Maryland Military Coalition**

James P. Monahan  
**Air Force Sergeants Association**

John P. May  
**American Military Society**

Elwood Raphael Gray  
**American Minority Veterans Research Project**

A. A.  
**Association of the United States Navy**

Lynn A. Gash  
**Commissioned Officers Association of the  
US Public Health Service**

Wilbur B. Fisher  
**Disabled American Veterans**

Donald Hooding  
**Distinguished Flying Cross Association**

Patrick J. Guibas  
**Fleet Reserve Association**

Ernie A. Buttrick  
**Jewish War Veterans of the USA**

Steve L. Bloodwin  
**Maryland Air National Guard Retirees'  
Association**

Robert J. Worton  
**Military Officers Association of America**

Charles E. Spinks  
**Military Order of the Purple Heart**

[Signature]  
**Montford Point Marines of America**

M. L. Messer  
**National Association for Black Veterans**

Michael P. Hoy  
**Naval Enlisted Reserve Association**

Christian Andreasen  
**NOAA Association of Commissioned Officers**

John S.  
**Reserve Organization of America**

Catherine L. McGraw  
**Society of Military Widows**

M. Blackwell  
**Veterans of Foreign Wars**

# Senate Bill 354 - Income Tax Checkoff.pdf

Uploaded by: David Webber

Position: FAV



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facebook.com/aarpmid

SB 354 Income Tax Checkoff – Maryland Veterans Trust Fund  
Budget and Taxation Committee  
SUPPORT  
15 February 2023

Good Afternoon Chairman Guzzone and Members of the Budget and Taxation Committee. I am David Webber, Veteran, and resident of Annapolis, Maryland. AARP Maryland is one of the largest membership-based organizations in the state, encompassing over 850,000 members. **AARP MD** supports **Senate Bill 354 Income Tax Checkoff – Maryland Veterans Trust Fund**. We thank Delegate Gile and others for sponsoring this bill.

AARP is a nonpartisan, nonprofit, nationwide organization that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities, and protection from financial abuse.

Senate Bill 354 would establish a checkoff box on Maryland income tax return forms that would permit people to directly donate a portion of their tax return to the Maryland Veterans Trust Fund. This would allow Maryland residents to voluntarily give to the fund and increase general awareness of the fund itself. Currently the only known means by which the fund is being advertised is on the Maryland Veteran Affairs website.

The Maryland Veterans Trust Fund gives non-emergency assistance to veterans in need. It primarily provides funds for veterans needing assistance with housing costs, such as mortgage and rent payments. According to the 2021 report of the fund the fund only received \$460,940 in donations. With only 3.9% of those funds coming from citizens, veteran service organizations local businesses, and community-sponsored fundraisers. The remaining 96.1% of the money was donated by the Maryland State Lottery and Maryland casinos<sup>1</sup>. If a checkoff box were to be inserted onto all tax return forms the fund would be able to collect more money in donations and raise awareness of the work the fund does. This would positively impact the veteran population within the state by helping those in need.

AARP believes we must honor the service and acknowledge the sacrifice of our veterans. Senate Bill 354 does so, by providing greater economic viability for retired veterans and their dependents.

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<sup>1</sup><https://msa.maryland.gov/megafile/msa/speccol/sc5300/sc5339/000113/025300/025320/20220097e.pdf>

For these reasons, we respectfully request a favorable report. For questions or additional information, please feel free to contact Tammy Bresnahan, Associate State Director of Advocacy at [tbresnahan@arp.org](mailto:tbresnahan@arp.org) or by calling 410-302-8451.

AARP

**SB 354\_Dawn Gile\_MVTF\_B&T.pdf**

Uploaded by: Patrick Guibao

Position: FAV



In-Person Testimony by Patrick J. Guibao on Senate Bill 354  
Before the Budget and Taxation Committee  
February 15, 2023

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Good afternoon members of the Budget and Taxation Committee. I am Patrick Guibao, representing The American Legion Department of Maryland and the Fleet Reserve Association's six Branches throughout the State.

Senate Bill 354 is a long overdue measure. The Maryland Veteran's Trust Fund managed by the Maryland Department of Veterans Affairs brings fresh hope those who have served our nation and are down on their luck financially. Assistance from the fund means a one-time house or car payment or other critical financial needs paid directly to the creditor.

Funding for the Trust comes through individual donations with its biggest revenue source from the State's Casinos. While this is helpful it's also a problem. Existing regulations don't state where the donations box can be placed and its location is the choice of the establishments. When I visited the Maryland Live Casino in Hanover last year it was not in close proximity to the Cashier booth which would be advantageous but rather in a dimly lit area near the rest rooms.

Allowing the placement of the Maryland Veterans Trust Fund Contribution would not only allow for greater contributions but enable a public education on this valuable resource to the veterans, to the community.

In closing, our combined veteran organizations with a combined membership of over 142,000 throughout the State urge the Budget and Taxation Committee to render a favorable report on Senate Bill 354 and extend a helping hand to those veterans in need. We applaud Senator Gile and the bipartisan members for sponsoring this valuable proposal. Thank you.



**DG\_Final Written Testimony\_SB354.pdf**

Uploaded by: Senator Gile

Position: FAV



THE SENATE OF MARYLAND  
ANNAPOLIS, MARYLAND 21401

**Testimony in Support of SB354  
Income Tax Checkoff - Maryland Veterans Trust Fund**

Madame Chair and Fellow Members of the Senate Finance Committee:

Marylanders who have served our country should be honored and supported in every way possible. To live up to that commitment, the state established the Maryland Veterans Trust Fund (MVTF) in 2009. The MVTF provides grants or loans directly to veterans and their families as well as public and private programs that serve them. The MVTF is supported by individual, specified proceeds from the sale of tickets from instant ticket lottery machines by specified veterans' organizations, specified donations from video lottery facility players, designated fees from certain special registration license plates, and specified civil penalty revenues. According to the MVTF's FY2021 Annual Report, donations from individuals represented less than 5% of its revenue of nearly \$400,000 that year.<sup>1</sup>

By offering Maryland taxpayers the option to contribute to the MVTF on their annual state tax returns, this bill provides taxpayers with an easy way to donate to a trusted organization that directly improves the lives of Maryland veterans. It will also provide the MVTF with additional funding to expand the important work it is already providing in the state. Some examples from its FY2021 Annual Report include:

- \$4,384.03 was used to cover past due rent for a veteran in Baltimore City who lost her job due to the pandemic.
- \$1,659.73 and \$1,024.69 was used to help the widow of a veteran from Charles County get caught up on her past due water bill and utilities bill.
- \$1,929.20 was used to pay a car repair bill for a veteran in Montgomery County who lost their job due to the pandemic. They were able to secure a new job but did not have the funds to get their car repaired before they were to start the job.
- \$2,278.83 was used to pay the past due utilities for a disabled veteran from Prince George's County.

This bill was introduced in 2020 and 2021 by former Senator Doug Peters. I respectfully request a favorable report on Senate Bill 354.

<sup>1</sup> Report to the General Assembly MSAR #9631.

<https://msa.maryland.gov/megafile/msa/speccol/sc5300/sc5339/000113/025300/025320/20220097e.pdf>

# **Letter of Information – Senate Bill 354 – Income T**

Uploaded by: Justin Hayes

Position: INFO

**Letter of Information – Senate Bill 354 – Income Tax Checkoff – Maryland Veterans Trust  
Fund**

*Budget and Tax Committee  
February 15, 2023*

The Comptroller’s Office would like to thank the sponsors for bringing the bill and providing us the opportunity to comment on it. Senate Bill 354 adds a provision to the Tax General article directing the Comptroller to “...include on the individual income tax return form a checkoff designated as the ‘Maryland Veterans Trust Fund Contribution’.”

The technology infrastructure used by the Comptroller’s Office to collect state revenues is unable to accommodate the timeframe envisioned in the bill (“...all taxable years beginning after December 31, 2022.”). Following discussions with the sponsors, they have agreed to make this bill applicable to “...all taxable years beginning after December 31, 2024...” – which will allow sufficient time for the necessary programming to occur at the agency level. With those agreed upon changes, the Comptroller’s Office is amenable to this legislation.

As always, the Comptroller’s Office is willing and available to discuss these concerns or any questions you may have at your convenience. Please contact Justin Hayes, Director of State Affairs at [jhayes@marylandtaxes.gov](mailto:jhayes@marylandtaxes.gov) or 410-260-7696.

