

HOUSE BILL 967

Q7

3lr2261

By: **Delegates McDermott, Afzali, Clippinger, Cluster, Dumais, Hogan, Hough, McComas, Mitchell, and Ready**

Introduced and read first time: February 7, 2013

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Return Preparers – False Returns or Claims for Refund – Statute**
3 **of Limitations**

4 FOR the purpose of providing that an income tax return preparer who commits a
5 certain violation is subject to a certain statute of limitations and may reserve a
6 point or question for a certain judicial review; providing for the application of
7 this Act; and generally relating to false returns or false claims for refunds by an
8 income tax return preparer.

9 BY repealing and reenacting, without amendments,
10 Article – Courts and Judicial Proceedings
11 Section 5–106(b) and (l)
12 Annotated Code of Maryland
13 (2006 Replacement Volume and 2012 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Tax – General
16 Section 13–1004
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2012 Supplement)

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

21 **Article – Courts and Judicial Proceedings**

22 5–106.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (b) Notwithstanding § 9–103(a)(3) of the Correctional Services Article or any
2 other provision of the Code, if a statute provides that a misdemeanor is punishable by
3 imprisonment in the penitentiary or that a person is subject to this subsection:

4 (1) The State may institute a prosecution for the misdemeanor at any
5 time; and

6 (2) For purposes of the Maryland Constitution, the person:

7 (i) Shall be deemed to have committed a misdemeanor whose
8 punishment is confinement in the penitentiary; and

9 (ii) May reserve a point or question for in banc review as
10 provided under Article IV, § 22 of the Maryland Constitution.

11 (l) A prosecution for an offense arising under the Tax – General Article with
12 respect to the sales and use, admissions and amusement, financial institution
13 franchise, income, or motor fuel tax shall be instituted within 3 years after the date on
14 which the offense was committed.

15 **Article – Tax – General**

16 13–1004.

17 (A) An income tax return preparer who willfully prepares, assists in
18 preparing, or causes the preparation of a false income tax return or claim for refund
19 with fraudulent intent or the intent to evade income tax is guilty of a misdemeanor
20 and, on conviction, is subject to a fine not exceeding \$10,000 or imprisonment not
21 exceeding 5 years or both.

22 (B) **NOTWITHSTANDING § 5–106(L) OF THE COURTS ARTICLE, A**
23 **PERSON WHO VIOLATES THIS SECTION IS SUBJECT TO § 5–106(B) OF THE**
24 **COURTS ARTICLE.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
26 construed to apply only prospectively and may not be applied or interpreted to have
27 any effect on or application to any income tax return or claim for refund filed or due to
28 be filed before the effective date of this Act.

29 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
30 October 1, 2013.