

# HOUSE BILL 1228

Q3

4lr2821

---

By: **Delegates Luedtke, Cardin, Carr, Conway, DeBoy, Eckardt, Fraser-Hidalgo, Glass, Haddaway-Riccio, Ivey, A. Kelly, Kipke, Love, Malone, Olszewski, Pena-Melnyk, Reznik, Rudolph, Serafini, Szeliga, Vitale, A. Washington, and Wood**

Introduced and read first time: February 7, 2014

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 Members**

4 FOR the purpose of altering the amount of a subtraction modification under the State  
5 income tax for certain qualifying volunteer fire, rescue, and emergency medical  
6 services members; and generally relating to a subtraction modification under  
7 the State income tax for certain qualifying volunteer fire, rescue, and  
8 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 (2010 Replacement Volume and 2013 Supplement)

14 BY repealing and reenacting, with amendments,  
15 Article – Tax – General  
16 Section 10–208(i–1)  
17 Annotated Code of Maryland  
18 (2010 Replacement Volume and 2013 Supplement)

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

21 **Article – Tax – General**

22 10–208.

---

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

4 (i–1) (1) The subtraction under subsection (a) of this section includes an  
5 amount equal to **[\$3,500] THE AMOUNT SPECIFIED IN PARAGRAPH (3) OF THIS**  
6 **SUBSECTION** if an individual is a qualifying volunteer fire, rescue, or emergency  
7 medical services member for the taxable year, as determined under paragraph (2) of  
8 this subsection.

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

12 (i) is an active member of:

13 1. a bona fide Maryland fire, rescue, or emergency  
14 medical services organization;

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

17 3. the United States Coast Guard Auxiliary; or

18 4. the Maryland Defense Force;

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

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

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

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

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

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

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

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

17                   (3)     **THE AMOUNT OF THE SUBTRACTION UNDER PARAGRAPH (1)**  
18 **OF THIS SUBSECTION IS EQUAL TO:**

19                   **(I)     \$4,000 FOR A TAXABLE YEAR BEGINNING AFTER**  
20 **DECEMBER 31, 2013, BUT BEFORE JANUARY 1, 2015;**

21                   **(II)    \$4,500 FOR A TAXABLE YEAR BEGINNING AFTER**  
22 **DECEMBER 31, 2014, BUT BEFORE JANUARY 1, 2016;**

23                   **(III)  \$5,000 FOR A TAXABLE YEAR BEGINNING AFTER**  
24 **DECEMBER 31, 2015, BUT BEFORE JANUARY 1, 2017;**

25                   **(IV)  \$6,000 FOR A TAXABLE YEAR BEGINNING AFTER**  
26 **DECEMBER 31, 2016, BUT BEFORE JANUARY 1, 2018; AND**

27                   **(V)    \$7,000 FOR A TAXABLE YEAR BEGINNING AFTER**  
28 **DECEMBER 31, 2017.**

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

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

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

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

7                   (ii)    An individual may not qualify for the subtraction under this  
8 subsection based on membership in the United States Coast Guard Auxiliary or the  
9 Maryland Defense Force unless the United States Coast Guard Auxiliary or the  
10 Maryland Defense Force:

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

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

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

19                   **[(4)] (5)**    To qualify for the subtraction modification under this  
20 subsection, an individual shall attach to the individual's income tax return a copy of  
21 the report provided by the organization under paragraph **[(3)] (4)** of this subsection.

22                   **[(5)] (6)**    On or before October 1 of each year, the Maryland State  
23 Firemen's Association shall submit to the Department of Public Safety and  
24 Correctional Services and the Office of the Comptroller a report stating the  
25 participation in the point system by the various local subdivisions with the names and  
26 Social Security numbers of individuals who qualified for the subtraction modification  
27 under this subsection for the preceding taxable year.

28                   **[(6)] (7)**    (i)    A person may not knowingly make or cause any false  
29 statement or report to be made in any application or in any document required under  
30 this subsection.

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

33                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
34 July 1, 2014.