

HOUSE BILL 822

Q3

7lr2816

By: **Delegate Kipke**

Introduced and read first time: February 3, 2017

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Police Auxiliaries and Reserve**
3 **Volunteers**

4 FOR the purpose of altering eligibility for and the amount of a subtraction modification
5 under the State income tax for certain qualifying police auxiliaries and reserve
6 volunteers; and generally relating to a subtraction modification under the State
7 income tax for police auxiliaries and reserve volunteers.

8 BY repealing and reenacting, without amendments,

9 Article – Tax – General

10 Section 10–208(a)

11 Annotated Code of Maryland

12 (2016 Replacement Volume)

13 BY repealing and reenacting, with amendments,

14 Article – Tax – General

15 Section 10–208(l)

16 Annotated Code of Maryland

17 (2016 Replacement Volume)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

19 That the Laws of Maryland read as follows:

20 **Article – Tax – General**

21 10–208.

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (1) (1) The subtraction under subsection (a) of this section includes an amount
2 equal to **[\$3,500] THE AMOUNT SPECIFIED IN PARAGRAPH (3) OF THIS SUBSECTION** if
3 an individual is a qualifying police auxiliary or reserve volunteer for the taxable year, as
4 determined under paragraph (2) of this subsection.

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

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

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

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

16 2. has maintained active status for at least 25 years under
17 the police auxiliary or reserve volunteer program;

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

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

25 (iv) will have been an active member of a bona fide police agency for
26 at least **[72] 36** months during the last 10 calendar years by December 31 of the taxable
27 year.

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

30 **(I) \$4,500 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER**
31 **31, 2016, BUT BEFORE JANUARY 1, 2018;**

32 **(II) \$4,750 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER**
33 **31, 2017, BUT BEFORE JANUARY 1, 2019; AND**

1 (III) **\$5,000 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER**
2 **31, 2018.**

3 **[(3)] (4)** Each police agency shall:

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

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

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

11 **[(4)] (5)** To qualify for the subtraction modification under this subsection,
12 an individual shall attach to the individual's income tax return a copy of the report provided
13 by the police agency under paragraph **[(3)] (4)** of this subsection.

14 **[(5)] (6)** On or before October 1 of each year, the police agency shall
15 submit to the Department of Public Safety and Correctional Services and the Office of the
16 Comptroller a report listing the names and Social Security numbers of individuals who
17 qualified for the subtraction modification under this subsection for the preceding taxable
18 year.

19 **[(6)] (7)** (i) A person may not knowingly make or cause any false
20 statement or report to be made in any application or in any document required under this
21 subsection.

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

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
25 1, 2017.