

SENATE BILL 203

Q3

0lr2470
CF 0lr1069

By: **Senators Elfreth, Cassilly, Eckardt, Griffith, Jennings, Peters, Salling, Smith, and Zucker**

Introduced and read first time: January 16, 2020

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Checkoff – Maryland Veterans Trust Fund**

3 FOR the purpose of establishing a certain income tax checkoff for voluntary contributions
4 to the Maryland Veterans Trust Fund; requiring the Comptroller to include a
5 checkoff on the individual income tax return; providing that the income tax checkoff
6 include a certain statement; requiring the Comptroller to include certain information
7 in each individual income tax return package; requiring the Comptroller to collect
8 and account for contributions made through the checkoff and to credit the proceeds
9 to the Fund after deducting the amount necessary to administer the checkoff;
10 providing that the Fund may consist of certain contributions from the income tax
11 checkoff; providing for the application of this Act; and generally relating to an income
12 tax checkoff for contributions to the Maryland Veterans Trust Fund.

13 BY adding to

14 Article – Tax – General
15 Section 2–116 and 10–804(l)
16 Annotated Code of Maryland
17 (2016 Replacement Volume and 2019 Supplement)

18 BY repealing and reenacting, without amendments,

19 Article – State Government
20 Section 9–913(e), (f), (h), and (i)
21 Annotated Code of Maryland
22 (2014 Replacement Volume and 2019 Supplement)

23 BY repealing and reenacting, with amendments,

24 Article – State Government
25 Section 9–913(g)
26 Annotated Code of Maryland
27 (2014 Replacement Volume and 2019 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



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

3 **Article – Tax – General**

4 **2–116.**

5 (A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL
6 INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE “MARYLAND
7 VETERANS TRUST FUND CONTRIBUTION”.

8 (2) THE CHECKOFF SHALL STATE THAT:

9 (I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A JOINT
10 RETURN, MAY CONTRIBUTE TO THE MARYLAND VETERANS TRUST FUND THE
11 AMOUNT DESIGNATED BY THE INDIVIDUAL; AND

12 (II) 1. THE INDIVIDUAL SHALL DEDUCT THE AMOUNT OF THE
13 CONTRIBUTION FROM ANY REFUND TO WHICH THE INDIVIDUAL IS ENTITLED; OR

14 2. IF THE INDIVIDUAL IS NOT ENTITLED TO A REFUND,
15 THE INDIVIDUAL SHALL ADD THE AMOUNT OF THE CONTRIBUTION TO THE INCOME
16 TAX TO BE PAID WITH THE RETURN.

17 (3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL
18 INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH THE
19 MARYLAND VETERANS TRUST FUND WAS ESTABLISHED AND THE PURPOSES FOR
20 WHICH THE FUND MAY BE USED.

21 (B) THE COMPTROLLER SHALL:

22 (1) COLLECT THE CHECKOFF CONTRIBUTIONS AND ACCOUNT TO THE
23 STATE TREASURER FOR THE MONEY COLLECTED;

24 (2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE
25 AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF TO AN ADMINISTRATIVE COST
26 ACCOUNT; AND

27 (3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,
28 DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION
29 TO THE MARYLAND VETERANS TRUST FUND ESTABLISHED UNDER § 9–913 OF THE
30 STATE GOVERNMENT ARTICLE.

31 10–804.

1 **(L) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE MARYLAND**
 2 **VETERANS TRUST FUND ESTABLISHED UNDER § 9-913 OF THE STATE**
 3 **GOVERNMENT ARTICLE BY THE CHECKOFF ON THE RETURN.**

4 **Article – State Government**

5 9-913.

6 (e) (1) There is a Maryland Veterans Trust established for the purpose of
 7 providing monetary and other assistance to:

8 (i) veterans and their families; and

9 (ii) public and private programs that support veterans and their
 10 families.

11 (2) There is a Maryland Veterans Trust Fund.

12 (f) The Trust shall be a body corporate and shall have perpetual existence,
 13 subject to modification or termination by the General Assembly if necessary to effectuate
 14 its purpose or if its substantial purpose ceases to exist.

15 (g) The Fund consists of:

16 (1) gifts and grants that the Trust receives under § 9-914.2(a)(1) of this
 17 subtitle; [and]

18 (2) contributions to the Fund from:

19 (i) the sale of tickets from instant ticket lottery machines under §
 20 9-112(d) of this title; and

21 (ii) the donations from video lottery facility players under §
 22 9-1A-04(d)(19) of this article; **AND**

23 **(3) THE NET PROCEEDS FROM CONTRIBUTIONS UNDER THE INCOME**
 24 **TAX CHECKOFF ESTABLISHED UNDER § 2-116 OF THE TAX – GENERAL ARTICLE.**

25 (h) Money in the Fund may only be used to:

26 (1) make grants and loans under § 9-914.2(a)(3) of this subtitle;

27 (2) be invested under § 9-914.3(b) of this subtitle; and

28 (3) pay the costs of administering the Fund through distribution to an

1 administrative cost account in the Department.

2 (i) Money expended from the Fund is not intended to take the place of funding
3 that would otherwise be appropriated to the Department.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
5 1, 2020, and shall be applicable to all taxable years beginning after December 31, 2019.