

# HOUSE BILL 236

Q7, Q3

2lr0348  
CF 2lr0351

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By: **Delegate Palakovich Carr**

Introduced and read first time: January 13, 2022

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Comptroller – Withholding of Income Tax Refunds – Prohibition**

3 FOR the purpose of prohibiting the Comptroller from withholding any portion of an income  
4 tax refund that is attributable to certain income tax credits awarded to certain  
5 debtors certified by the Central Collection Unit; and generally relating to the  
6 withholding of income tax refunds by the Comptroller for debts owed to the State.

7 BY repealing and reenacting, with amendments,  
8 Article – Tax – General  
9 Section 13–915(b)  
10 Annotated Code of Maryland  
11 (2016 Replacement Volume and 2021 Supplement)

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

14 **Article – Tax – General**

15 13–915.

16 (b) (1) **[The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**  
17 Comptroller shall:

18 (i) withhold any income tax refund that may be due to a debtor  
19 whose name has been certified by the Central Collection Unit; and

20 (ii) pay to the Central Collection Unit the entire refund or the  
21 amount certified by the Central Collection Unit, whichever is less.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1                   (2)   **(I)**    **THIS PARAGRAPH DOES NOT APPLY TO ANY DEBT OWED FOR**  
2 **CHILD OR SPOUSAL SUPPORT.**

3                   **(II)**   **THE COMPTROLLER MAY NOT WITHHOLD ANY PORTION OF**  
4 **AN INCOME TAX REFUND THAT IS ATTRIBUTABLE TO TAX CREDITS AWARDED TO THE**  
5 **DEBTOR UNDER § 10–704 OR § 10–751 OF THIS ARTICLE.**

6                   **(3)**    All money paid to the Central Collection Unit by the Comptroller under  
7 this part shall be disposed of by the Central Collection Unit as provided in § 3–305 of the  
8 State Finance and Procurement Article.

9                   ~~[(3)]~~ **(4)**    Any income tax refund in excess of the certified amount shall be  
10 paid to the debtor.

11                   ~~[(4)]~~ **(5)**    The Comptroller shall notify the debtor of:

12                   (i)    any amount paid to the Central Collection Unit; and

13                   (ii)   the debtor's right:

14                               1.    to request an investigation by the Central Collection Unit  
15 of the validity of the debt or correctness of the amount; and

16                               2.    to an administrative hearing and judicial appeal if the  
17 Central Collection Unit makes a determination adverse to the debtor.

18                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
19 1, 2022.