

SENATE BILL 365

P1, Q3
SB 65/10 – B&T

1lr1961

By: **Senators Peters, Astle, Brinkley, Brochin, Colburn, DeGrange, Frosh, Garagiola, Glassman, Kasemeyer, Klausmeier, Mathias, Middleton, Montgomery, Muse, Pugh, Ramirez, Raskin, Robey, and Zirkin**
Introduced and read first time: February 3, 2011
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

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

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

12 BY repealing and reenacting, with amendments,
13 Article – State Government
14 Section 9–913
15 Annotated Code of Maryland
16 (2009 Replacement Volume and 2010 Supplement)

17 BY adding to
18 Article – Tax – General
19 Section 2–114 and 10–804(j)
20 Annotated Code of Maryland
21 (2010 Replacement Volume)

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

24 **Article – State Government**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 9–913.

2 (a) In this section, “Fund” means the Maryland Veterans Trust Fund.

3 (b) There is a Maryland Veterans Trust Fund in the Department.

4 (c) (1) The Fund is a special, nonlapsing fund that is not subject to
5 reversion under § 7–302 of the State Finance and Procurement Article.

6 (2) The State Treasurer shall hold the Fund separately, and the
7 Comptroller shall account for the Fund.

8 (d) (1) The Secretary shall administer the Fund.

9 (2) The Maryland Veterans Commission, the Maryland Veterans’
10 Home Commission, and program directors shall advise the Secretary on the
11 administration of the Fund.

12 (e) The Fund consists of [gifts]:

13 (1) **GIFTS** and grants that the Department receives under § 9–912(b)
14 of this subtitle; **AND**

15 (2) **CONTRIBUTIONS TO THE FUND FROM THE INCOME TAX**
16 **CHECKOFF SYSTEM ESTABLISHED UNDER § 2–114 OF THE TAX – GENERAL**
17 **ARTICLE.**

18 (f) Money in the Fund may only be used to:

19 (1) make grants and loans under § 9–912(b)(2)(i) of this subtitle;

20 (2) be invested under § 9–912(b)(2)(ii) of this subtitle; and

21 (3) pay the costs of administering the Fund through distribution to an
22 administrative cost account in the Department.

23 (g) (1) The State Treasurer shall invest the money in the Fund in the
24 same manner as other State money may be invested.

25 (2) Any investment earnings of the Fund shall be credited to the Fund.

26 (h) Money expended from the Fund is supplemental to and is not intended to
27 take the place of funding that would otherwise be appropriated to the Department.

28 (i) (1) On or before August 31 of each year, the Secretary shall submit a
29 report to the General Assembly, in accordance with § 2–1246 of this article, on the
30 status of the Fund.

1 **(3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS**
2 **SUBSECTION, DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER**
3 **THIS SUBSECTION TO THE MARYLAND VETERANS TRUST FUND ESTABLISHED**
4 **UNDER § 9-913 OF THE STATE GOVERNMENT ARTICLE.**

5 10-804.

6 **(J) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE**
7 **MARYLAND VETERANS TRUST FUND ESTABLISHED UNDER § 9-913 OF THE**
8 **STATE GOVERNMENT ARTICLE, BY THE CHECKOFF SYSTEM ON THE RETURN.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
10 July 1, 2011, and shall be applicable to all taxable years beginning after December 31,
11 2010.