

SENATE BILL 644

Q3

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By: **Senators Gallion and Hester**

Introduced and read first time: February 3, 2020

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Checkoff – The Blueprint for Maryland’s Future Fund**

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

14 BY repealing and reenacting, without amendments,
15 Article – Education
16 Section 5–219(b), (c), (e), and (g)
17 Annotated Code of Maryland
18 (2018 Replacement Volume and 2019 Supplement)

19 BY repealing and reenacting, with amendments,
20 Article – Education
21 Section 5–219(f)
22 Annotated Code of Maryland
23 (2018 Replacement Volume and 2019 Supplement)

24 BY adding to
25 Article – Tax – General
26 Section 2–116 and 10–804(l)
27 Annotated Code of Maryland
28 (2016 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 – Education**

4 5–219.

5 (b) There is The Blueprint for Maryland’s Future Fund.

6 (c) The purpose of the Fund is to assist in providing adequate funding for early
7 childhood education and primary and secondary education to provide a world–class
8 education to students so they are prepared for college and a career in the global economy
9 of the 21st century, based on the recommendations of the Commission on Innovation and
10 Excellence in Education.

11 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
12 the State Finance and Procurement Article.

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

15 (f) The Fund consists of:

16 (1) Revenue distributed to the Fund under §§ 2–605.1 and 2–1303 of the
17 Tax – General Article;

18 (2) Money appropriated in the State budget for the Fund; [and]

19 (3) **THE NET PROCEEDS FROM CONTRIBUTIONS TO THE FUND UNDER**
20 **THE INCOME TAX CHECKOFF ESTABLISHED UNDER § 2–116 OF THE TAX – GENERAL**
21 **ARTICLE; AND**

22 (4) Any other money from any other source accepted for the benefit of the
23 Fund.

24 (g) The Fund may be used only to assist in providing adequate funding for early
25 childhood education and primary and secondary education based on the recommendations
26 of the Commission on Innovation and Excellence in Education, including revised education
27 funding formulas.

28 **Article – Tax – General**

29 **2–116.**

30 (A) (1) **THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL**

1 INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS “THE BLUEPRINT FOR
2 MARYLAND’S FUTURE FUND CONTRIBUTION”.

3 (2) THE CHECKOFF SHALL STATE THAT:

4 (I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A JOINT
5 RETURN, MAY CONTRIBUTE TO THE BLUEPRINT FOR MARYLAND’S FUTURE FUND
6 THE AMOUNT DESIGNATED BY THE INDIVIDUAL; AND

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

9 2. IF THE INDIVIDUAL IS NOT ENTITLED TO A REFUND,
10 THE INDIVIDUAL SHALL ADD THE AMOUNT OF THE CONTRIBUTION TO THE INCOME
11 TAX TO BE PAID WITH THE RETURN.

12 (3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL
13 INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH THE
14 BLUEPRINT FOR MARYLAND’S FUTURE FUND WAS ESTABLISHED AND THE
15 PURPOSES FOR WHICH THE FUND MAY BE USED.

16 (B) THE COMPTROLLER SHALL:

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

19 (2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE
20 AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF SYSTEM TO AN
21 ADMINISTRATIVE COST ACCOUNT; AND

22 (3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,
23 DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION
24 TO THE BLUEPRINT FOR MARYLAND’S FUTURE FUND ESTABLISHED UNDER § 5-219
25 OF THE EDUCATION ARTICLE.

26 10-804.

27 (L) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE BLUEPRINT
28 FOR MARYLAND’S FUTURE FUND, ESTABLISHED UNDER § 5-219 OF THE
29 EDUCATION ARTICLE, BY THE CHECKOFF SYSTEM ON THE RETURN.

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