

SENATE BILL 647

C2, Q3

4r2769
CF 4r2694

By: **Senator Ellis**

Introduced and read first time: January 29, 2024

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Abandoned Cemeteries Fund – Establishment and Income Tax Checkoff**

3 FOR the purpose of establishing the Abandoned Cemeteries Fund; establishing a certain
4 income tax checkoff for voluntary contributions to the Abandoned Cemeteries Fund;
5 requiring the Comptroller to include a checkoff on individual income tax return
6 forms for voluntary contributions to the Fund and to include certain information in
7 each individual income tax return package; and generally relating to the Abandoned
8 Cemeteries Fund.

9 BY adding to

10 Article – Business Regulation
11 Section 5–805
12 Annotated Code of Maryland
13 (2015 Replacement Volume and 2023 Supplement)

14 BY repealing and reenacting, without amendments,

15 Article – State Finance and Procurement
16 Section 6–226(a)(2)(i)
17 Annotated Code of Maryland
18 (2021 Replacement Volume and 2023 Supplement)

19 BY repealing and reenacting, with amendments,

20 Article – State Finance and Procurement
21 Section 6–226(a)(2)(ii)189. and 190.
22 Annotated Code of Maryland
23 (2021 Replacement Volume and 2023 Supplement)

24 BY adding to

25 Article – State Finance and Procurement
26 Section 6–226(a)(2)(ii)191.
27 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(2021 Replacement Volume and 2023 Supplement)

BY adding to

Article – Tax – General

Section 2–118 and 10–804(m)

Annotated Code of Maryland

(2022 Replacement Volume and 2023 Supplement)

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

Article – Business Regulation

5–805.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
INDICATED.

(2) “ABANDONED CEMETERY” MEANS A CEMETERY FOR WHICH:

(I) LEGAL OWNERSHIP CANNOT BE DETERMINED; OR

(II) 1. THE ORGANIZATION ESTABLISHED TO ENGAGE IN THE
OPERATION OF THE CEMETERY HAS BEEN TERMINATED, HAS BEEN SUBJECT TO
ADMINISTRATIVE DISSOLUTION BY THE STATE, OR HAS OTHERWISE CEASED TO
EXIST; AND

2. TITLE HAS NOT BEEN CONVEYED.

(3) “FUND” MEANS THE ABANDONED CEMETERIES FUND.

(B) THERE IS AN ABANDONED CEMETERIES FUND.

(C) THE PURPOSE OF THE FUND IS TO PROVIDE FOR THE CARE,
PRESERVATION, MAINTENANCE, AND RESTORATION OF ABANDONED CEMETERIES
IN THE STATE.

(D) THE SECRETARY SHALL ADMINISTER THE FUND.

(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

1 **(F) THE FUND CONSISTS OF:**

2 **(1) THE NET PROCEEDS FROM CONTRIBUTIONS UNDER THE INCOME**
3 **TAX CHECKOFF ESTABLISHED UNDER § 2-118 OF THE TAX – GENERAL ARTICLE;**

4 **(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

5 **(3) INTEREST EARNINGS; AND**

6 **(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
7 **THE BENEFIT OF THE FUND.**

8 **(G) (1) MONEY IN THE FUND MAY BE USED ONLY FOR THE COSTS OF:**

9 **(I) CARE, PRESERVATION, MAINTENANCE, AND RESTORATION**
10 **OF ABANDONED CEMETERIES;**

11 **(II) ADMINISTERING THE FUND THROUGH DISTRIBUTION TO AN**
12 **ADMINISTRATIVE COST ACCOUNT IN THE DEPARTMENT; AND**

13 **(III) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,**
14 **PROMOTING DONATIONS TO THE FUND THROUGH DISTRIBUTION TO A PROMOTION**
15 **COST ACCOUNT IN THE DEPARTMENT.**

16 **(2) NOT MORE THAN 5% OF THE NET PROCEEDS OF THE FUND MAY**
17 **BE USED UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION.**

18 **(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
19 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

20 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
21 **THE FUND.**

22 **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
23 **WITH THE STATE BUDGET.**

24 **(J) MONEY EXPENDED FROM THE FUND FOR THE PRESERVATION, CARE,**
25 **AND MAINTENANCE OF ABANDONED CEMETERIES IS SUPPLEMENTAL TO AND IS NOT**
26 **INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE**
27 **APPROPRIATED FOR THE OFFICE OF CEMETERY OVERSIGHT.**

1 **(K) ON OR BEFORE SEPTEMBER 30 EACH YEAR, THE SECRETARY SHALL**
 2 **SUBMIT A REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF**
 3 **THE STATE GOVERNMENT ARTICLE, ON THE ADMINISTRATION OF THE FUND.**

4 **(L) THE REPORT REQUIRED UNDER SUBSECTION (K) OF THIS SECTION**
 5 **SHALL INCLUDE:**

6 **(1) THE GROSS AMOUNT OF DONATIONS TO THE FUND;**

7 **(2) THE COSTS OF ADMINISTRATION BY THE COMPTROLLER OF THE**
 8 **INCOME TAX CHECKOFF SYSTEM;**

9 **(3) A DESCRIPTION OF PROMOTIONAL EFFORTS UNDERTAKEN WITH**
 10 **MONEY FROM THE FUND; AND**

11 **(4) A DETAILED ACCOUNTING OF THE USE OF THE FUND.**

12 **Article – State Finance and Procurement**

13 6-226.

14 (a) (2) (i) Notwithstanding any other provision of law, and unless
 15 inconsistent with a federal law, grant agreement, or other federal requirement or with the
 16 terms of a gift or settlement agreement, net interest on all State money allocated by the
 17 State Treasurer under this section to special funds or accounts, and otherwise entitled to
 18 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
 19 Fund of the State.

20 (ii) The provisions of subparagraph (i) of this paragraph do not apply
 21 to the following funds:

22 189. the Teacher Retention and Development Fund; [and]

23 190. the Protecting Against Hate Crimes Grant Fund; AND

24 **191. THE ABANDONED CEMETERIES FUND.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
 26 as follows:

27 **Article – Tax – General**

28 2-118.

1 **(A) (1) THE COMPTROLLER SHALL INCLUDE ON THE INDIVIDUAL**
2 **INCOME TAX RETURN FORM A CHECKOFF DESIGNATED AS THE “ABANDONED**
3 **CEMETERIES FUND”.**

4 **(2) THE CHECKOFF SHALL STATE THAT:**

5 **(I) THE INDIVIDUAL, OR EACH SPOUSE IN THE CASE OF A JOINT**
6 **RETURN, MAY CONTRIBUTE TO THE ABANDONED CEMETERIES FUND THE AMOUNT**
7 **DESIGNATED BY THE INDIVIDUAL; AND**

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

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

13 **(3) THE COMPTROLLER SHALL INCLUDE, WITH THE INDIVIDUAL**
14 **INCOME TAX RETURN PACKAGE, A DESCRIPTION OF THE PURPOSES FOR WHICH THE**
15 **ABANDONED CEMETERIES FUND WAS ESTABLISHED AND THE PURPOSES FOR**
16 **WHICH THE FUND MAY BE USED.**

17 **(B) THE COMPTROLLER SHALL:**

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

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

23 **(3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,**
24 **DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION**
25 **TO THE ABANDONED CEMETERIES FUND ESTABLISHED UNDER § 5-805 OF THE**
26 **BUSINESS REGULATION ARTICLE.**

27 10-804.

28 **(M) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE ABANDONED**
29 **CEMETERIES FUND ESTABLISHED UNDER § 5-805 OF THE BUSINESS REGULATION**
30 **ARTICLE BY THE CHECKOFF ON THE RETURN.**

1 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
2 effect July 1, 2026, and shall be applicable to all taxable years beginning after December
3 31, 2025.

4 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section
5 3 of this Act, this Act shall take effect October 1, 2024.