

SENATE BILL 963

C2, Q3

5lr3264
CF HB 535

By: **Senator Mautz**

Introduced and read first time: January 28, 2025

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

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

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

10 BY repealing and reenacting, without amendments,
11 Article – Business Regulation
12 Section 1–101(a), (f), and (h)
13 Annotated Code of Maryland
14 (2024 Replacement Volume)

15 BY adding to
16 Article – Business Regulation
17 Section 5–805
18 Annotated Code of Maryland
19 (2024 Replacement Volume)

20 BY repealing and reenacting, without amendments,
21 Article – State Finance and Procurement
22 Section 6–226(a)(2)(i)
23 Annotated Code of Maryland
24 (2021 Replacement Volume and 2024 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – State Finance and Procurement
27 Section 6–226(a)(2)(ii)204. and 205.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2021 Replacement Volume and 2024 Supplement)

3 BY adding to
4 Article – State Finance and Procurement
5 Section 6–226(a)(2)(ii)206.
6 Annotated Code of Maryland
7 (2021 Replacement Volume and 2024 Supplement)

8 BY repealing and reenacting, with amendments,
9 Chapter 717 of the Acts of the General Assembly of 2024
10 Section 8(85) and (86)

11 BY adding to
12 Chapter 717 of the Acts of the General Assembly of 2024
13 Section 8(87)

14 BY adding to
15 Article – Tax – General
16 Section 2–120 and 10–804(m)
17 Annotated Code of Maryland
18 (2022 Replacement Volume and 2024 Supplement)

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

21 **Article – Business Regulation**

22 1–101.

23 (a) In this article the following words have the meanings indicated.

24 (f) “Department” means the Maryland Department of Labor.

25 (h) “Secretary” means the Secretary of Labor.

26 **5–805.**

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

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

30 (I) 1. THE ORGANIZATION ESTABLISHED TO ENGAGE IN THE
31 OPERATION OF THE CEMETERY HAS BEEN TERMINATED, HAS BEEN SUBJECT TO

1 ADMINISTRATIVE DISSOLUTION BY THE STATE, OR HAS OTHERWISE CEASED TO
2 EXIST; AND

3 2. TITLE HAS NOT BEEN CONVEYED;

4 (II) THERE IS NO PROPERTY OWNER LISTED IN THE RECORDS OF
5 THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION;

6 (III) THE PROPERTY HAS BEEN CONDEMNED; OR

7 (IV) NO PERSON WHO IS LEGALLY RESPONSIBLE FOR THE
8 PROPERTY CAN BE FOUND AND LEGAL OWNERSHIP OF THE PROPERTY CANNOT BE
9 DETERMINED.

10 (3) "FUND" MEANS THE ABANDONED AND NEGLECTED CEMETERIES
11 FUND.

12 (4) "NEGLECTED CEMETERY" MEANS A CEMETERY FOR WHICH:

13 (I) TWO OR MORE CITATIONS HAVE BEEN ISSUED BY A COUNTY
14 OR MUNICIPAL CORPORATION AGAINST THE PROPERTY FOR FAILURE TO MAINTAIN
15 THE PROPERTY;

16 (II) THE PROPERTY HAS FALLEN INTO DISREPAIR DUE TO
17 NEGLECT AND INSUFFICIENT MAINTENANCE;

18 (III) THE PROPERTY HAS BEEN THE OBJECT OF VANDALISM,
19 LOITERING, OR OTHER CRIMINAL CONDUCT; OR

20 (IV) THERE HAS BEEN PHYSICAL DESTRUCTION OR
21 DETERIORATION OF THE PROPERTY.

22 (B) THERE IS AN ABANDONED AND NEGLECTED CEMETERIES FUND.

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

26 (D) THE SECRETARY SHALL ADMINISTER THE FUND.

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

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

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

4 **(1) THE NET PROCEEDS FROM CONTRIBUTIONS UNDER THE INCOME**
5 **TAX CHECKOFF ESTABLISHED UNDER § 2-120 OF THE TAX – GENERAL ARTICLE;**

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

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

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

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

11 **(I) CARE, PRESERVATION, MAINTENANCE, AND RESTORATION**
12 **OF ABANDONED AND NEGLECTED CEMETERIES;**

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

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

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

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

22 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
23 **THE FUND.**

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

26 **(J) MONEY EXPENDED FROM THE FUND FOR THE PRESERVATION, CARE,**
27 **AND MAINTENANCE OF ABANDONED AND NEGLECTED CEMETERIES IS**
28 **SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT**

1 OTHERWISE WOULD BE APPROPRIATED FOR THE OFFICE OF CEMETERY
2 OVERSIGHT.

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

6 (L) THE REPORT REQUIRED UNDER SUBSECTION (K) OF THIS SECTION
7 SHALL INCLUDE:

8 (1) THE GROSS AMOUNT OF DONATIONS TO THE FUND;

9 (2) THE COSTS OF ADMINISTRATION BY THE COMPTROLLER OF THE
10 INCOME TAX CHECKOFF SYSTEM;

11 (3) A DESCRIPTION OF PROMOTIONAL EFFORTS UNDERTAKEN WITH
12 MONEY FROM THE FUND; AND

13 (4) A DETAILED ACCOUNTING OF THE USE OF THE FUND.

14 **Article – State Finance and Procurement**

15 6-226.

16 (a) (2) (i) 1. This subparagraph does not apply in fiscal years 2024
17 through 2028.

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

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

26 204. the Victims of Domestic Violence Program Grant Fund;
27 [and]

28 205. the Proposed Programs Collaborative Grant Fund; AND

29 206. THE ABANDONED AND NEGLECTED CEMETERIES
30 FUND.

Chapter 717 of the Acts of 2024

SECTION 8. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement, or with the terms of a gift or settlement agreement, for fiscal years 2024 through 2028, net interest on all State money allocated by the State Treasurer under § 6–226 of the State Finance and Procurement Article to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State, with the exception of the following funds:

(85) the Bus Rapid Transit Fund; [and]

(86) the Transit–Oriented Development Capital Grant and Revolving Loan Fund; AND

(87) THE ABANDONED AND NEGLECTED CEMETERIES FUND.

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

Article – Tax – General

2–120.

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

(2) THE CHECKOFF SHALL STATE THAT:

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

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

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

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

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

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

4 **(2) FROM THE CONTRIBUTIONS COLLECTED, DISTRIBUTE THE**
5 **AMOUNT NECESSARY TO ADMINISTER THE CHECKOFF TO AN ADMINISTRATIVE COST**
6 **ACCOUNT; AND**

7 **(3) AFTER THE DISTRIBUTION UNDER ITEM (2) OF THIS SUBSECTION,**
8 **DISTRIBUTE THE REMAINDER OF THE MONEY COLLECTED UNDER THIS SUBSECTION**
9 **TO THE ABANDONED AND NEGLECTED CEMETERIES FUND ESTABLISHED UNDER §**
10 **5-805 OF THE BUSINESS REGULATION ARTICLE.**

11 10-804.

12 **(M) AN INDIVIDUAL MAY DESIGNATE A CONTRIBUTION TO THE ABANDONED**
13 **AND NEGLECTED CEMETERIES FUND ESTABLISHED UNDER § 5-805 OF THE**
14 **BUSINESS REGULATION ARTICLE BY THE CHECKOFF ON THE RETURN.**

15 SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take
16 effect July 1, 2026, and shall be applicable to all taxable years beginning after December
17 31, 2025.

18 SECTION 4. AND BE IT FURTHER ENACTED, That, except as provided in Section
19 3 of this Act, this Act shall take effect October 1, 2025.