

# SENATE BILL 323

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SB 94/23 – B&T

4lr1674

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By: **Senator Jackson**

Introduced and read first time: January 12, 2024

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Public Safety Volunteers**

3 FOR the purpose of increasing the amount of a subtraction modification under the  
4 Maryland income tax for an individual who is a qualifying public safety volunteer  
5 beginning in a certain taxable year; and generally relating to a subtraction  
6 modification under the Maryland income tax for qualifying public safety volunteers.

7 BY repealing and reenacting, without amendments,  
8 Article – Tax – General  
9 Section 10–208(a)  
10 Annotated Code of Maryland  
11 (2022 Replacement Volume and 2023 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article – Tax – General  
14 Section 10–208(i–1)  
15 Annotated Code of Maryland  
16 (2022 Replacement Volume and 2023 Supplement)

17 BY repealing  
18 Article – Tax – General  
19 Section 10–208(l)  
20 Annotated Code of Maryland  
21 (2022 Replacement Volume and 2023 Supplement)

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

24 **Article – Tax – General**

25 10–208.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In addition to the modification under § 10–207 of this subtitle, the amounts  
2 under this section are subtracted from the federal adjusted gross income of a resident to  
3 determine Maryland adjusted gross income.

4 (i–1) (1) **(I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE**  
5 **MEANINGS INDICATED.**

6 **(II) “PUBLIC SAFETY ORGANIZATION” MEANS:**

7 1. A BONA FIDE MARYLAND POLICE AGENCY;

8 2. A BONA FIDE MARYLAND FIRE, RESCUE, OR  
9 EMERGENCY MEDICAL SERVICES ORGANIZATION;

10 3. AN AUXILIARY ORGANIZATION OF A BONA FIDE  
11 MARYLAND FIRE, RESCUE, OR EMERGENCY MEDICAL SERVICES ORGANIZATION;

12 4. THE UNITED STATES COAST GUARD AUXILIARY;

13 5. THE MARYLAND DEFENSE FORCE; OR

14 6. THE MARYLAND CIVIL AIR PATROL.

15 **(III) “PUBLIC SAFETY VOLUNTEER” MEANS A MEMBER OF A**  
16 **PUBLIC SAFETY ORGANIZATION.**

17 **(2)** The subtraction under subsection (a) of this section includes an amount  
18 equal to the amount specified in paragraph [(3)] **(4)** of this subsection if an individual is a  
19 qualifying **PUBLIC SAFETY** volunteer [fire, rescue, or emergency medical services member]  
20 for the taxable year, as determined under paragraph [(2)] **(3)** of this subsection.

21 **[(2)] (3)** An individual is a qualifying **PUBLIC SAFETY** volunteer [fire,  
22 rescue, or emergency medical services member] for the taxable year eligible for the  
23 subtraction modification under this subsection if the individual:

24 (i) is an active member of[:

25 1. a bona fide Maryland fire, rescue, or emergency medical  
26 services organization;

27 2. an auxiliary organization of a bona fide Maryland fire,  
28 rescue, or emergency medical services organization;

29 3. the United States Coast Guard Auxiliary;

1 4. the Maryland Defense Force; or

2 5. the Maryland Civil Air Patrol] **A PUBLIC SAFETY**

3 **ORGANIZATION;**

4 (ii) serves the **PUBLIC SAFETY** organization in a volunteer capacity  
5 without compensation, except nominal expenses or meals;

6 (iii) 1. qualifies for active status during the taxable year under:

7 **A. A POLICE AUXILIARY OR RESERVE VOLUNTEER**  
8 **PROGRAM APPROVED BY THE MARYLAND POLICE TRAINING AND STANDARDS**  
9 **COMMISSION IN CONJUNCTION WITH THE MARYLAND ASSOCIATION OF COUNTIES**  
10 **AND THE MARYLAND MUNICIPAL LEAGUE THAT INCLUDES UNIFORM SYSTEMS FOR**  
11 **QUALIFICATION AND RECORD KEEPING, IF THE PROGRAM IS INCORPORATED INTO**  
12 **THE POLICE AGENCY'S RULES AND REGULATIONS;**

13 **B.** a volunteer fire, rescue, or emergency medical services  
14 personnel or auxiliary length of service award program operated by a county or municipal  
15 corporation of the State, if the length of service award program requires for active status  
16 qualification a minimum of 50 points per year and that points be earned in at least two  
17 different categories; or

18 **[B.] C.** a point system established by a county or municipal  
19 corporation that does not operate a volunteer fire, rescue, or emergency medical services  
20 personnel or auxiliary length of service award program or by the United States Coast Guard  
21 Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol, to identify active  
22 members of a volunteer fire, rescue, or emergency medical services organization or  
23 auxiliary organization, if the point system requires for active status qualification a  
24 minimum of 50 points per year and that points be earned in at least two different categories;

25 2. has maintained active status for at least 25 years under:

26 **A. A POLICE AUXILIARY OR RESERVE VOLUNTEER**  
27 **PROGRAM; OR**

28 **B.** a volunteer fire, rescue, or emergency medical services  
29 personnel or auxiliary length of service award program or a point system established in  
30 lieu of a length of service award program;

31 3. is a member of the National Guard or other reserve  
32 component of the United States armed forces who has been ordered into active military  
33 service and who serves on active duty in the armed forces of the United States during the  
34 taxable year; or

1                   4.       is a civilian or a member of the Merchant Marine on  
2 assignment in support of the armed forces of the United States during the taxable year in  
3 an area designated as a combat zone by executive order of the President; and

4                   (iv)     will have been an active member of a [bona fide Maryland fire,  
5 rescue, or emergency medical services organization, an auxiliary organization of a bona fide  
6 Maryland fire, rescue, or emergency medical services organization, or the United States  
7 Coast Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol]  
8 **PUBLIC SAFETY ORGANIZATION** for at least 36 months during the last 10 calendar years  
9 by December 31 of the taxable year.

10                   **[(3)] (4)**       The amount of the subtraction under paragraph **[(1)] (2)** of this  
11 subsection is equal to:

12                   (i)       **[\$4,750 for a taxable year beginning after December 31, 2017,**  
13 **but before January 1, 2019;**

14                   (ii)     **\$5,000 for a taxable year beginning after December 31, 2018, but**  
15 **before January 1, 2020;**

16                   (iii)    **\$6,000 for a taxable year beginning after December 31, 2019, but**  
17 **before January 1, 2021;**

18                   (iv)     **\$6,500 for a taxable year beginning after December 31, 2020, but**  
19 **before January 1, 2022; and**

20                   (v)]     **\$7,000 for a taxable year beginning after December 31, [2021]**  
21 **2023, BUT BEFORE JANUARY 1, 2025; AND**

22                   **(II)    \$10,000 FOR A TAXABLE YEAR BEGINNING AFTER**  
23 **DECEMBER 31, 2024.**

24                   **[(4)] (5)     (i)       EACH POLICE AGENCY SHALL:**

25                               **1.       MAINTAIN A RECORD OF THE ACTIVITIES OF EACH**  
26 **MEMBER OF A POLICE AUXILIARY OR RESERVE DURING THE CALENDAR YEAR;**

27                               **2.       PROVIDE EACH MEMBER A REPORT BY FEBRUARY 15**  
28 **OF THE FOLLOWING YEAR INDICATING THAT THE MEMBER QUALIFIED DURING THE**  
29 **PRECEDING CALENDAR YEAR; AND**

30                               **3.       PROVIDE A REPORT THAT INCLUDES THE NAMES, THE**  
31 **SOCIAL SECURITY NUMBERS, AND A CERTIFICATION THAT THE INDIVIDUAL**  
32 **QUALIFIED FOR THE SUBTRACTION MODIFICATION UNDER THIS SECTION.**

1                   (II) Each fire, rescue, or emergency medical services organization or  
2 auxiliary organization shall:

3                   1. maintain a record of the points earned by each individual  
4 during each calendar year;

5                   2. provide each member a report identifying the number of  
6 points earned in each category by February 15 of the following year; and

7                   3. provide a report that includes the names, Social Security  
8 numbers, and points earned by those members qualifying for the subtraction modification  
9 under this subsection to the Maryland State Firemen's Association by May 1 of the  
10 following year.

11                   (ii) (III) An individual may not qualify for the subtraction under  
12 this subsection based on membership in the United States Coast Guard Auxiliary, the  
13 Maryland Defense Force, or the Maryland Civil Air Patrol unless the United States Coast  
14 Guard Auxiliary, the Maryland Defense Force, or the Maryland Civil Air Patrol:

15                   1. maintains a record of the points earned by each individual  
16 during each calendar year;

17                   2. provides each member a report identifying the number of  
18 points earned in each category by February 15 of the following year; and

19                   3. provides a report that includes the names, Social Security  
20 numbers, and points earned by those members qualifying for the subtraction modification  
21 under this subsection to the Comptroller on or before October 1 of each year.

22                   [(5)] (6) To qualify for the subtraction modification under this subsection,  
23 an individual shall attach to the individual's income tax return a copy of the report provided  
24 by the PUBLIC SAFETY organization under paragraph [(4)] (5) of this subsection.

25                   [(6)] (7) (I) ON OR BEFORE OCTOBER 1 EACH YEAR, EACH BONA  
26 FIDE MARYLAND POLICE AGENCY SHALL SUBMIT TO THE DEPARTMENT OF PUBLIC  
27 SAFETY AND CORRECTIONAL SERVICES AND THE OFFICE OF THE COMPTROLLER A  
28 REPORT LISTING THE NAMES AND SOCIAL SECURITY NUMBERS OF INDIVIDUALS  
29 WHO QUALIFIED FOR THE SUBTRACTION MODIFICATION UNDER THIS SUBSECTION  
30 FOR THE PRECEDING TAXABLE YEAR.

31                   (II) On or before October 1 of each year, the Maryland State  
32 Firemen's Association shall submit to the Department of Public Safety and Correctional  
33 Services and the Office of the Comptroller a report stating the participation in the point  
34 system by the various local subdivisions with the names and Social Security numbers of  
35 individuals who qualified for the subtraction modification under this subsection for the  
36 preceding taxable year.

1            ~~[(7)]~~ (8)    (i)    A person may not knowingly make or cause any false  
2 statement or report to be made in any application or in any document required under this  
3 subsection.

4            (ii)    Any person who violates or attempts to violate any provision of  
5 subparagraph (i) of this paragraph shall be subject to a fine of \$1,000.

6            [(1) (1)    The subtraction under subsection (a) of this section includes an amount  
7 equal to the amount specified in paragraph (3) of this subsection if an individual is a  
8 qualifying police auxiliary or reserve volunteer for the taxable year, as determined under  
9 paragraph (2) of this subsection.

10           (2)    An individual is a qualifying police auxiliary or reserve volunteer for  
11 the taxable year eligible for the subtraction modification under this subsection if the  
12 individual:

13                    (i)    is an active member of a bona fide Maryland police agency;

14                    (ii)    serves the organization in a volunteer capacity without  
15 compensation, except nominal expenses or meals;

16                    (iii)    1.    qualifies for active status during the taxable year under a  
17 police auxiliary or reserve volunteer program approved by the Police Training and  
18 Standards Commission in conjunction with the Maryland Association of Counties and the  
19 Maryland Municipal League, that includes uniform systems for qualification and record  
20 keeping, if the program is incorporated into the police agency's rules and regulations;

21                                    2.    has maintained active status for at least 25 years under  
22 the police auxiliary or reserve volunteer program;

23                                    3.    is a member of the National Guard or other reserve  
24 component of the United States armed forces who has been ordered into active military  
25 service and who serves on active duty in the armed forces of the United States during the  
26 taxable year; or

27                                    4.    is a civilian or a member of the Merchant Marine on  
28 assignment in support of the armed forces of the United States during the taxable year in  
29 an area designated as a combat zone by executive order of the President; and

30                    (iv)    will have been an active member of a bona fide police agency for  
31 at least 36 months during the last 10 calendar years by December 31 of the taxable year.

32            (3)    The amount of the subtraction under paragraph (1) of this subsection is  
33 equal to:

1 (i) \$4,500 for a taxable year beginning after December 31, 2016, but  
2 before January 1, 2018;

3 (ii) \$4,750 for a taxable year beginning after December 31, 2017, but  
4 before January 1, 2019; and

5 (iii) \$5,000 for a taxable year beginning after December 31, 2018.

6 (4) Each police agency shall:

7 (i) maintain a record of the activities of each police auxiliary or  
8 reserve volunteer during the calendar year;

9 (ii) provide each member a report by February 15 of the following  
10 year indicating that the member qualified during the preceding calendar year; and

11 (iii) provide a report that includes the names, Social Security  
12 numbers, and a certification that the individual qualified for the subtraction modification  
13 under this section.

14 (5) To qualify for the subtraction modification under this subsection, an  
15 individual shall attach to the individual's income tax return a copy of the report provided  
16 by the police agency under paragraph (4) of this subsection.

17 (6) On or before October 1 of each year, the police agency shall submit to  
18 the Department of Public Safety and Correctional Services and the Office of the  
19 Comptroller a report listing the names and Social Security numbers of individuals who  
20 qualified for the subtraction modification under this subsection for the preceding taxable  
21 year.

22 (7) (i) A person may not knowingly make or cause any false statement  
23 or report to be made in any application or in any document required under this subsection.

24 (ii) Any person who violates or attempts to violate any provision of  
25 subparagraph (i) of this paragraph shall be subject to a fine of \$1,000.]

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
27 1, 2024, and shall be applicable to all taxable years beginning after December 31, 2023.