

constitute and be accounted for as advances to the Program; providing for the repayment to the State of certain amounts paid into the Program subject to certain rights; requiring the Board to allow certain benefits paid from the Maryland Prepaid College Trust to be used toward certain higher education expenses other than tuition and fees under certain circumstances; altering certain requirements for a legislative audit of the Maryland Prepaid College Trust; requiring a certain annual audit of the Maryland Prepaid College Trust; establishing the Maryland College Investment Plan as a means to allow individuals to make contributions to certain accounts for the purposes of meeting certain higher education expenses; requiring the Maryland Higher Education Investment Board to oversee the administration of the Plan; providing that neither the faith and credit nor the taxing power of the State is pledged to the payment of debts, prepaid contracts, and obligations of the Plan; providing for the administration of the Plan; requiring the Board to maintain the Plan in compliance with Internal Revenue Service standards for qualified state tuition programs; providing that distributions from the Plan may be used only for certain qualified higher education expenses; requiring the Board to issue certain statements to participants at least annually; providing that the assets and income of the Plan are exempt from State and local taxation; requiring the Board to report to the Governor and General Assembly annually concerning the audit and certain matters concerning the Plan; ~~providing~~ allowing a subtraction modification under the Maryland income tax for certain contributions to an account under the Plan, subject to a certain limitation; allowing certain amounts disallowed under the subtraction modification as a result of a certain limitation to be carried over and subtracted for succeeding taxable years; ~~providing~~ requiring an addition modification for certain distributions made under ~~the Plan, subject to a certain limitation~~ certain prepaid contracts and investment accounts; requiring an addition modification for certain refunds under certain prepaid contracts and investment accounts; allowing a subtraction modification for certain distributions under certain prepaid contracts and investment accounts; providing for the construction and application of this Act; defining certain terms; and generally relating to the Maryland Higher Education Investment Board, the Maryland Prepaid College Trust, and the Maryland College Investment Plan.

BY repealing and reenacting, with amendments,

Article - Education

Section 18-1901, 18-1903 through 18-1907, 18-1909 through 18-1911, and 18-1913 through 18-1916 to be under the amended subtitle "Subtitle 19. Maryland Prepaid College Trust"

Annotated Code of Maryland  
(1999 Replacement Volume)

BY adding to

Article - Education

Section 18-1906.1; and 18-19A-01 through 18-19A-07 to be under the new subtitle "Subtitle 19A. Maryland College Investment Plan"