

CHAPTER 45

(House Bill 260)

AN ACT concerning

**Unemployment Insurance – Excluding Cafeteria Plans and Dependent Care Assistance
from the Definition of Wages**

FOR the purpose of excluding certain cafeteria plans and dependent care assistance plans from the definition of taxable wages under State unemployment insurance law; and generally relating to the definition of wages under State unemployment insurance law.

BY repealing and reenacting, with amendments,

Article – Labor and Employment

Section 8-101(v)

Annotated Code of Maryland

(1991 Volume)

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

Article – Labor and Employment

8-101.

(v) (1) “Wages” means all compensation for personal services except as provided in paragraph (3) of this subsection.

(2) “Wages” includes:

(i) a bonus;

(ii) a commission;

(iii) a tip; and

(iv) the cash value of all compensation in any medium other than cash.

(3) “Wages” does not include:

(i) the amount of any payment made to or on behalf of an employee or any dependent of an employee under a plan or system established by an employing unit that provides for employees generally or for their dependents or for a class of employees and their dependents on account of:

1. retirement;

2. sickness or accident disability payments under a workers’ compensation law;