

subdivision or authority thereof (other than this State and its political subdivisions and authorities); and (5) interest or dividends on obligations of any authority, commission, instrumentality, territory or possession of the United States or of any foreign government, which by the laws or treaties of the United States are exempt from federal income tax but not from state income taxes.

(c) There shall be subtracted from taxable income of the taxpayer the following items to the extent included in federal income: (1) operating revenue subject to gross receipts taxes imposed by this article (less related expenses) of public utilities and contract carriers; (2) the amount of any refunds of income taxes paid to the State of Maryland, any other state, the District of Columbia, and any political subdivision of the State of Maryland and any other states; (3) interest income on obligations of the United States and its instrumentalities; (4) any amounts included therein by operation of the provisions of § 78 of the Internal Revenue Code of 1954; (5) dividends received from a corporation in which the taxpayer owns, directly or indirectly, 50 percent or more of the corporation's outstanding shares of capital stock, and which is organized under the laws of a foreign country, and (6) to the extent included, any profit realized from the sale or exchange of bonds issued by this State or its political subdivisions; (7) to the extent that the dividends are included in taxable income, the percentage of dividends received from an affiliated domestic international sales corporation (as defined by Internal Revenue Code of 1954 § 992(a)), which is equivalent to the percentage that would be excluded if the domestic international sales corporation was not qualified under § 992(a). However, this exclusion shall be available only if at least 50 percent of the net taxable income of the domestic international sales corporation is subject to Maryland taxation; (8) expenses incurred for reforestation or timber stand improvement activity as determined under the provisions of §§ 280C and 280D of this subtitle; and (9) the dollar amount by which the employer business deduction for employee wages and salaries is disallowed under § 280C(b) of the Internal Revenue Code (relating to targeted jobs credit).

(D) ††† ANY NONRESIDENT CORPORATION WHICH IS INCORPORATED IN OR HAS CENTRAL OFFICES LOCATED IN A STATE OTHER THAN THIS STATE SHALL PAY TO THE COMPTROLLER ALL CORPORATE TAXES TO THE SAME EXTENT AND IN THE SAME AMOUNT, ON THE SAME SCHEDULE, AND UNDER THE SAME CONDITIONS THAT A STATE CORPORATION IS REQUIRED TO PAY IN THE STATE OF THE NONRESIDENT CORPORATION IF THE CORPORATION DOES BUSINESS AS A LICENSED:

- ††† [1] PLUMBER OR GAS FITTER;
- ††† [2] CONSTRUCTION CONTRACTOR;
- ††† [3] HOME IMPROVEMENT CONTRACTOR;
- ††† [4] PLUMBER; OR