

withheld; [and]

- 2. the amount of payments made and the income tax
- (ii) a copy of the federal income tax return:
 - 1. for a corporation; and
 - 2. if the Comptroller requests, for an individual; AND

(III) IF THE COMPTROLLER REQUESTS, FOR A CORPORATION THAT IS A MEMBER OF AN AFFILIATED GROUP OR CONTROLLED GROUP UNDER § 1504 OR § 1563 OF THE INTERNAL REVENUE CODE, A STATEMENT OF ALL INTERMEMBER COSTS OR EXPENSES AND ALL INTERMEMBER SALES, EXCHANGES, OR OTHER TRANSACTIONS INVOLVING TANGIBLE OR INTANGIBLE PROPERTY FOR THE TAXABLE YEAR.

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) all corporations required to make the addition to federal taxable income set forth in § 10-306.1 of the Tax - General Article shall make estimated tax payments under § 10-821 of the Tax - General Article that reflect any increased Maryland corporation income tax liability resulting from the addition; and

(b) notwithstanding the provisions of §§ 13-602 and 13-702 of the Tax - General Article, with respect to those corporations required to make the addition to federal taxable income set forth in § 10-306.1 of the Tax - General Article, for all taxable years beginning in calendar year 2004 only, the payment of 110% or more of the tax paid for the prior taxable year, reduced by the credit allowed under § 10-703 of the Tax - General Article, does not preclude the Comptroller from assessing:

- (1) interest, under § 13-602 of the Tax - General Article, on unpaid tax; and
- (2) penalty, under § 13-702 of the Tax - General Article, on underestimated tax.

SECTION 3. AND BE IT FURTHER ENACTED, That if any provision of this Act or the application thereof to any person or circumstance is held invalid for any reason in a court of competent jurisdiction, the invalidity does not affect other provisions or any other application of this Act which can be given effect without the invalid provision or application, and for this purpose the provisions of this Act are declared severable.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2004, and shall be applicable to all taxable years beginning after December 31, 2003.

Enacted May 29, 2004.