

(1951 Edition—being Section 224A of the 1939 Edition), title “Revenue and Taxes,” sub-title “Income Tax,” relating to the optional standard deduction for individuals paying a State income tax and clarifying the provisions as to said deduction.

SECTION 1. *Be it enacted by the General Assembly of Maryland, That Section 277A of Article 81 of the Annotated Code of Maryland (1951 Edition—being Section 224A of the 1939 Edition), title “Revenue and Taxes,” sub-title “Income Tax,” be and it is hereby repealed and re-enacted, with amendments, to read as follows:*

277A. *Optional Standard Deduction for Individuals. [In the case of an individual, at his election, a standard deduction shall be allowed which deduction shall be in lieu of deductions provided for in Section 277 of this sub-title.] For all calendar years beginning after December 31, 1950, and for all fiscal years ending after said date, an individual, excluding, however, fiduciaries to the extent included under sub-section (e) and defined under sub-section (f) of Section 275 of this sub-title, shall be allowed a standard deduction, which shall be allowed only if the individual elects to claim it. Where the individual elects to claim the optional standard deduction here provided, such deduction shall be in lieu of all non-business ground rents and interest paid or incurred, taxes, casualty losses, including theft, non-business contributions, medical expenses, alimony and losses to the extent provided in Section 277 (d)-(1) of this sub-title. The standard deduction herein provided for shall not be in lieu of the deductions provided in Section 277 of this sub-title to the extent paid or incurred in carrying on a trade or business, including traveling expenses deductible in sub-section (r) of Section 277 and expenses, including losses paid or incurred in the acquisition of or care of income-producing property to the extent under sub-sections (d)-(1) and (m) of Section 277. The standard deduction provided for by this section shall be in an amount equal to ten percent (10%) of the gross income of the taxpayer as computed in accordance with the provisions of this sub-title but in no event shall the standard deduction exceed Five Hundred Dollars (\$500.00). In the case of husband and wife filing a joint return, said return, for the purposes of this section, shall be considered the return of two taxpayers; however, the standard deduction provided for in this section shall not be allowed to either if the net income of one of the spouses is determined without regard to such standard deduction or without regard to Section*