

CHAPTER 454

(Senate Bill 254)

AN ACT to repeal and re-enact, with amendments, Sections 286(c), 294(d) and 305 of Article 81 of the Annotated Code of Maryland (1965 Replacement Volume), title "Revenue and Taxes," subtitle "Income Tax," to permit personal exemptions and credits to be claimed in full on the final income tax return of a decedent, to permit such return to be filed jointly with the surviving spouse and to permit such return to be filed on or before April 15 of the year following the decedent's date of death.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sections 286(c), 294(d) and 305 of Article 81 of the Annotated Code of Maryland (1965 Replacement Volume), title "Revenue and Taxes," subtitle "Income Tax," be and they are hereby repealed and re-enacted with amendments, to read as follows:

286.

(c) Change of status during taxable year.—The determination of whether a taxpayer is married shall be made as of the close of his taxable year, provided that if the taxpayer dies during his taxable year such determination shall be made as of the time of such death and, provided further, that a taxpayer legally separated from his spouse under a decree of divorce or of separate maintenance shall not be considered as married.

Beginning with the taxable year 1944 and [thereafter] *up to and including the taxable year 1966*, the amounts allowable under (a), (b), (f) and (g) hereof shall be prorated to the date of death in the final return of a decedent and as of the date of death the personal exemption and dependent credit are terminated and not extended over the remainder of the taxable year. *For all taxable years beginning after December 31, 1966, exemptions and credits allowable in subsections (a), (b), (f) and (g) hereof may be claimed in full on the final return of the decedent without proration to the date of death.*

294.

(d) Death of Taxpayer.—In the event of the death of a taxpayer, a final return shall be filed *in accordance with the provisions of subsection (a)* by the executor, administrator or personal representative of his or her estate. *Such final return may be filed jointly with the surviving spouse or his or her representative, provided that both the surviving spouse or his or her representative and the executor, administrator or personal representative of the decedent's estate shall execute such joint return. The full amount of any refund of taxes payable on a return filed jointly with a decedent shall, in the absence of the appointment of an executor or administrator of the decedent's estate, be made payable to the surviving spouse in his or her separate capacity; otherwise, the full refund shall be made to the estate of the decedent.*

305.

All returns of income shall be made on or before the 15th day of April succeeding the taxable year except that such returns, if made