

CHAPTER 10  
(Senate Bill 61)

AN ACT to repeal and re-enact, with amendments, Sections 279 (1), 288 (c), and 323 (e) (2) of Article 81 of the Annotated Code of Maryland (1965 Replacement Volume and 1967 Supplement), title "Revenue and Taxes," subtitle "Income Tax," amending the taxation laws in order to correct misspunctuation, erroneous references, and erroneous wording.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sections 279 (1), 288 (c), and 323 (e) (2) of Article 81 of the Annotated Code of Maryland (1965 Replacement Volume and 1967 Supplement), title "Revenue and Taxes," subtitle "Income Tax," be and they are hereby repealed and re-enacted, with amendments, to read as follows:

**279.**

(1) The terms "domestic and foreign" when used herein and applied to corporate entities shall mean in the case of "domestic," a corporation organized and existing under the laws of Maryland and in the case of "foreign" shall mean a corporation organized and existing under the laws of other states and governments.

**288.**

(c) In addition to the tax imposed elsewhere in this subtitle upon the net income of every corporation (domestic or foreign), there is hereby annually levied and imposed, beginning as of July 1, 1956, a tax on the net income of every corporation (domestic or foreign) at the rate of one half of one percent ( $\frac{1}{2}\%$ ), and beginning as of July 1, 1967 in addition to this tax an additional tax of one quarter of one percent ( $\frac{1}{4}\%$ ) of such portion thereof as is allocable to this State under the provisions of Section 316 hereof, except as herein specifically provided otherwise, the tax imposed by this subsection shall in all respects be imposed and collected and subject to the same laws, regulations and provisions as those imposed elsewhere in this article upon the net income of such corporations. If the taxpayer is on a calendar year basis, the increase in rate over that formerly levied and imposed shall be paid upon net income for the last six months of the years 1956 and/or 1967, as the case may be, determined by a pro rata computation against net income for the entire years of 1956 and/or 1967, as the case may be. If the taxpayer is on a fiscal *year* basis, the increase in rate over that formerly levied and imposed shall be paid upon net income for such part of any fiscal year which follows July 1, 1956 and/or July 1, 1967, as the case may be, determined by a pro rata computation against net income for the entire fiscal year. The tax imposed and collected pursuant to the provisions of this subsection shall be remitted by the Comptroller to the State Treasurer. The State Treasurer shall first set aside in the Annuity Bond Fund so much, if any, as shall be required to make payments of principal and interest due in the year of receipt and in the next following year, to the extent that such amounts have not previously been so set aside on the bonds or certificates of indebtedness issued under provisions of Section 8 of Article 62B of the Annotated Code of Maryland (1957 Edition, as amended),