

PRIOR TO JANUARY 1, 1967, WHICH WAS NOT INCLUDABLE IN "GROSS INCOME" UNDER SECTION 280(A) OF ARTICLE 81 OF ANNOTATED CODE OF MARYLAND IN EFFECT ON THE DATE OF REALIZATION OF SAID GAIN OR GAINS.

280A.

(a) The net income of a corporation shall be the taxable income of such taxpayer as defined in the laws of the United States *as amended from time to time and for the corresponding taxable period* or in the case of a regulated investment company, investment company taxable income as defined in the laws of the United States *as amended from time to time and for the corresponding taxable period*, except as hereinafter modified.

(b) There shall be added to the taxable income of such taxpayer: (1) *the net operating loss [carry-overs] deduction as defined in Section 172 of the Internal Revenue Code, AS AMENDED FROM TIME TO TIME* and (2) income taxes imposed by the State of Maryland, and any other state, the District of Columbia and any political subdivision of the State of Maryland or any other state.

(c) There shall be subtracted from taxable income of such 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 railroads, other public utilities and contract carriers; (2) fifty (50) per cent of the *excess of net long-term capital gain[s] over net short-term capital loss [resulting from the sale or other disposition of any capital asset and any property commonly referred to as Section 1231 assets]* as defined in the laws of the United States, *as amended from time to time;* (3) 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 state; and (4) dividend income to the extent included in taxable income and any interest income other than interest earned in the conduct of a business, on loans made under the provisions of Article 58A of this Code, and interest earned on business accounts, notes receivable and installment contracts; AND (5) FOR TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1968, THE AMOUNT OF CAPITAL GAINS INCLUDED THEREIN WHICH WAS REALIZED FROM THE SALE, EXCHANGE OR OTHER DISPOSITION OF PROPERTY PRIOR TO JANUARY 1, 1967, WHICH WAS NOT INCLUDABLE IN "GROSS INCOME" UNDER SECTION 280A (A) OF ARTICLE 81 OF ANNOTATED CODE OF MARYLAND IN EFFECT ON THE DATE OF REALIZATION OF SAID GAIN OR GAINS.

281.

(a) If a resident individual has itemized his deductions from adjusted gross income in determining his federal taxable income, he may elect in determining his taxable income under this article to deduct the sum of such itemized deductions (other than deductions for personal exemptions):

~~(1)~~ Reduced by any amount thereof representing income taxes imposed by the State of Maryland, any political subdivision thereof,