

280.

(b) There shall be added to federal adjusted gross income: (1) interest or dividends, (less related expenses), on obligations or securities of any state or of a political subdivision or authority thereof (other than this State and its political subdivisions and authorities); (2) salaries and wages and interest or dividends on obligations of any authority, commission, instrumentality, territory or possession of the United States or of any foreign government, which by the laws or treaties of the United States are exempt from federal income tax but not from State income taxes; (3) EXCEPT IN THE CASE OF DISASTER LOSSES, AS DEFINED IN § 165(H) OF THE INTERNAL REVENUE CODE AS AMENDED FROM TIME TO TIME, OCCURRING ON OR AFTER JUNE 1, 1972, the net operating loss deduction as defined in § 172 of the Internal Revenue Code, as amended from time to time; (4) dividends received by individuals excluded from federal adjusted gross income pursuant to § 116 of the Internal Revenue Code; and (5) distributions of corporate prior years' earnings not previously taxed in Maryland to individuals and current year losses of corporations claimed for the taxable year by individuals, resulting from an election of a small business corporation, as defined by § 1371 of the Internal Revenue Code as amended from time to time, to be taxed in accordance with the provisions of subchapter "S" of the Internal Revenue Code.

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(b) There shall be added to the taxable income of such taxpayer: (1) EXCEPT IN THE CASE OF DISASTER LOSSES, AS DEFINED IN § 165(H) OF THE INTERNAL REVENUE CODE AS AMENDED FROM TIME TO TIME, OCCURRING ON OR AFTER JUNE 1, 1972, the net operating loss deduction as defined in § 172 of the Internal Revenue Code, as amended from time to time; (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; and (3) the net capital loss carry-back as defined in § 1212 of the Internal Revenue Code, as amended from time to time.

SECTION 2. AND BE IT FURTHER ENACTED, That nothing in this Act shall be construed to prevent a person from filing an amended State income tax return to carry back a loss sustained as the result of a disaster occurring on or after June 1, 1972, in accordance with the provisions of § 172 of the Internal Revenue Code, as amended from time to time.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1973.

Approved May 21, 1973.

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#### CHAPTER 401

(Senate Bill 458)

AN ACT to add new Subsection 12F(e) to Article 81 of the Annotated Code of Maryland ([1969 Replacement Volume and] 1972 Supplement), title "Revenue and Taxes," subtitle "What Shall Be Taxed and Where," to follow immediately after Section 12F(d) thereof, to provide mandatory tax credits for certain persons in Anne Arundel County.