

portion of the adjusted basis which is not the amortizable basis.

(k) In the case of property held by one person for life with remainder to another person, the deduction under this section shall be computed as if the life tenant were the absolute owner of the property and shall be allowable to the life tenant.

(l) Gain from the sale or exchange of property, to the extent that the adjusted basis of the property is less than its adjusted basis without regard to this section, shall be considered as gain from the sale or exchange of property which is neither a capital asset nor property used in the trade or business.

(m) In the case of the demolition of a certified historic structure:

(1) No deduction otherwise allowable under § 280 (a) of Article 81 of this Code may be allowed to the owner or lessee of the structure for any amount expended for the demolition or any loss sustained on account of the demolition; and

(2) Amounts described in paragraph (1) shall be treated as properly chargeable to capital account with respect to the land on which the demolished structure was located.

(n) Pursuant to regulations prescribed by the State Comptroller or his delegate, the taxpayer may elect to compute the depreciation deduction attributable to substantially rehabilitated property as though the original use of the property commenced with him.

(o) For the purpose of computing income tax due the State of Maryland, § 170 (f) (3) of the Internal Revenue Code does not apply to a contribution of:

(1) A lease on, option to purchase, or easement with respect to real property of not less than 30 years duration to an organization described in § 170 (b) (1) (A) of the Internal Revenue Code exclusively for conservation purposes; or

(2) A remainder interest in real property which is granted to an organization described in § 170 (b) (1) (A) of the Internal Revenue Code exclusively for conservation purposes.

(p) Any person who receives, in accordance with the provisions of § 12G of this article, a tax credit for property taxes imposed upon real property in a political subdivision which is based on the restoration and preservation of structures having historic or architectural value is not entitled to the deductions from State income tax as provided in this section.]