

(1)--Reduced-by-any-amount--thereof--representing income-taxes-imposed-by-the-State-of-Maryland,--any-political subdivision--thereof,--any-other-state-or-subdivision-of-any other-state,--or-the-District-of-Columbia--

(2)--INCREASED--BY--AN--AMOUNT---EQUAL---TO---ANY ADDITIONAL-CHARITABLE-DEDUCTION-THAT-WOULD-HAVE-BEEN-ALLOWED ON--THE--FEDERAL-RETURN-IF-THE-STANDARD-MILEAGE-RATE-FOR-USE OF-A-PASSENGER-AUTOMOBILE-UNDER--\$--170--OF--THE--INTERNAL REVENUE--CODE--EQUALLED--THE--STANDARD-MILEAGE-RATE-USED-FOR COMPUTING-THE-BUSINESS-EXPENSE-DEDUCTION-UNDER-\$-162-OF--THE INTERNAL-REVENUE-CODE--

(a-1)--For--taxable--years--beginning--after--December-31, 1976,--an-individual-who-has elected--to--use--the--standard deduction--in--determining--his--federal--taxable income--may elect,--in--determining--his--taxable--income---under---this subtitle, to--deduct--the--sum--of--the--deductions--to--which--he would--have--been--entitled had--he--elected--to--use--itemized deductions--in--determining--his--federal taxable income.--Where such--an--election--is--made--the--itemized--deductions permitted in--this--subsection--may--not--exceed--the--federal--zero--bracket amount--allowable--to--the--taxpayer--under--the--Internal--Revenue Code,--and the--amount--of--itemized--deductions--shall--be [reduced--by--an--amount representing income taxes imposed by this State,--any--political subdivision--of--this--State,--and--any other--state--or--subdivision--of--any other--state--or--the District--of--Columbia] ADJUSTED--IN--ACCORDANCE--WITH--SUBSECTION (A)--OF--THIS--SECTION--

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(c) There shall be subtracted from federal adjusted gross income: (1) interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission or instrumentality of the United States and any other income to the extent includable in gross income for federal income tax purposes, but exempt from State income taxes under the laws of the United States; (2) payments received by policemen and firemen from pension systems for injuries or disabilities arising out of and in the course of their employment as policemen or firemen; (3) for all taxable years ending after December 31, 1972, amounts received by an individual who has attained the age of 65 years before the close of the taxable year as an annuity, pension, or endowment under a private, municipal, State or federal employee retirement system, and included in such individual's federal adjusted gross income, this subtraction shall not exceed an amount equal to the maximum annual benefits permitted for persons who retired at the age of 65 or older under the Social Security Act for the prior calendar year. The Comptroller shall determine the amount of the maximum benefit annually and for the purposes of this subparagraph may allow the subtraction to the nearest \$100. The allowed subtraction shall be reduced by the amount of old age, survivors, or disability benefits received under