

AN ACT concerning

Partnerships - Income Tax Returns

FOR the purpose of requiring partnerships to file income tax returns; defining the term partnership; and clarifying language.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes
Section 315
Annotated Code of Maryland
(~~1975-Replacement-Volume-and-1980-Supplement~~)
(1980 Replacement Volume)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 81 - Revenue and Taxes

315.

EVERY PARTNERSHIP (AS DEFINED IN SECTION 761 OF THE INTERNAL REVENUE CODE) SHALL MAKE A RETURN FOR EACH TAXABLE YEAR, STATING SPECIFICALLY THE ITEMS OF ITS GROSS INCOME AND ALLOWABLE DEDUCTIONS, AND SUCH OTHER INFORMATION AS IS DEEMED NECESSARY FOR THE ADMINISTRATION OF THE PROVISIONS OF THIS SUBTITLE.

[Individuals carrying on business in partnership] PARTNERS shall be liable for income tax only in their [individual] ~~REPRESENTATIVE~~ RESPECTIVE capacity, and no income tax shall be assessable hereunder upon the income of any partnership. All such income shall be assessable to the individual partners; it shall be reported by such partners [as individuals] upon their respective individual income returns, and it shall be taxed to them [as individuals] along with their other income at the rates and in the manner herein provided for the taxation of income [of individuals]. In computing the tax of each partner there shall be included in [his] income and allowable deductions, respectively, that proportion of the income and allowable deductions, respectively, of the partnership ending with or in the taxable year of the partner, for the annual accounting period of the partnership that such partner's distributive share (whether distributed or not) of the net income of the partnership for such annual accounting period, bears to the total net income of the partnership for such annual accounting period.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply to all taxable years beginning after December 31, 1980.