

PUBLIC CORPORATION, AUTHORITY, SPECIAL DISTRICT, OR POLITICAL SUBDIVISION OF ANY STATE INCLUDING MARYLAND, AND OF THE RESPECTIVE INSTRUMENTALITIES THEREOF, AND SHALL FURTHER INCLUDE IN ITS INCOME, § 280A(C) (4) OF THIS ARTICLE NOTWITHSTANDING, ALL OTHER INTEREST AND DIVIDENDS TO THE EXTENT INCLUDED IN ITS TAXABLE INCOME AS DEFINED IN THE LAWS OF THE UNITED STATES, AS AMENDED FROM TIME TO TIME AND IN EFFECT FOR THE CORRESPONDING TAXABLE YEAR.

(B) (1) A FRANCHISE TAX IS IMPOSED FOR EACH FISCAL YEAR OF THE STATE UPON:

(I) EVERY DOMESTIC FINANCIAL INSTITUTION FOR THE PRIVILEGE OF EXISTING AS A CORPORATION DURING ANY PART OF THE STATE'S FISCAL YEAR; AND

(II) EVERY FINANCIAL INSTITUTION NOT ORGANIZED UNDER THE LAWS OF THIS STATE FOR THE PRIVILEGE OF ENGAGING IN BUSINESS IN THIS STATE DURING ANY PART OF THE STATE'S FISCAL YEAR.

(2) THE FRANCHISE TAX IMPOSED BY THIS SECTION SHALL BE MEASURED BY THE NET EARNINGS OF THE TAXPAYER'S ANNUAL ACCOUNTING PERIOD (WHETHER IT IS A CALENDAR YEAR OR FISCAL YEAR AS DEFINED IN § 279(H) OF THIS ARTICLE) ENDING WITHIN THE FISCAL YEAR OF THE STATE FOR WHICH THE TAX IS IMPOSED.

(c) The rate of tax shall be [seven] 7 percent [(7%)] of net earnings allocable to this State under the provisions of this section.

(d) (1) [For all taxable years beginning after June 30, 1976, every] EVERY financial institution subject to taxation under this section shall make a declaration of its estimated tax if its total tax for the current taxable year reasonably may be expected to exceed \$1,000.

(2) The declaration of estimated tax shall be filed with the Director [of the State Department of Assessments and Taxation] on or before the first day of the sixth month following the beginning of the [institution's] TAXPAYER'S taxable year, at which time not less than 50 percent of the tax so estimated for the full taxable year is due and payable.

(e) (1) Every financial institution shall file with the Director [of the State Department of Assessments and Taxation] a report of its net earnings for its annual accounting period ending within the fiscal year of the State for which the tax is imposed on or before the fifteenth day of the fourth month following the close of the annual accounting period of the financial institution.