

AN ACT concerning

Income Tax - Corporate Taxable Income

FOR the purpose of including in net income of corporations, interest and dividends received on state and municipal obligations other than the State of Maryland and its political subdivisions and including certain interest and dividends on obligations of any territory or possession of the United States or any foreign government.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes
Section 280A(b)
Annotated Code of Maryland
(1980 Replacement Volume and 1981 Supplement)

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

Article 81 - Revenue and Taxes

280A.

(b) There shall be added to the taxable income of such taxpayer: (1) net income taxes, and all other net taxes based on income, 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; (2) the net capital loss carry-back as defined in § 1212 of the Internal Revenue Code, as amended from time to time [and]; (3) for all taxable years beginning after December 31, 1973, the oil percentage depletion allowance as claimed and allowed under § 613 of the Internal Revenue Code[.]; (4) 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); AND (5) 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.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be effective for taxable years ending after December 31, 1981.