

280A.

(c) There shall be subtracted from taxable income of the taxpayer the following items to the extent included in federal income: (1) operating revenue subject to gross receipts taxes imposed by this article (less related expenses) of public utilities and contract carriers; (2) the amount of any refunds of income taxes paid to the State of Maryland, any other state, the District of Columbia, and any political subdivision of the State of Maryland and any other states; (3) interest income on obligations of the United States and its instrumentalities; (4) any amounts included therein by operation of the provisions of § 78 of the Internal Revenue Code of 1954; (5) dividends received from a corporation in which the taxpayer owns, directly or indirectly, 50 percent or more of the corporation's outstanding shares of capital stock, and which is organized under the laws of a foreign country, and (6) to the extent included, any profit realized from the sale or exchange of bonds issued by this State or its political subdivisions; (7) to the extent that the dividends are included in taxable income, the percentage of dividends received from an affiliated domestic international sales corporation (as defined by Internal Revenue Code of 1954 § 992(a)), which is equivalent to the percentage that would be excluded if the domestic international sales corporation was not qualified under § 992(a). However, this exclusion shall be available only if at least 50 percent of the net taxable income of the domestic international sales corporation is subject to Maryland taxation; [and] (8) expenses incurred for reforestation or timber stand improvement activity as determined under the provisions of §§ 280C and 280D of this subtitle[. And]; AND (9) the dollar amount by which the employer business deduction for employee wages and salaries is disallowed under § 280C(b) of the Internal Revenue Code (relating to targeted jobs credit).

280D.

(a) A taxpayer is allowed a modification subtraction equal to double the amount incurred in reforestation or timber stand improvement activity on 10 to 100 acres of commercial forest land, except for federal funds, if the taxpayer:

(1) Owns or leases from 10 to 500 acres of commercial forest land; or

(2) Owns or leases from 10 to 500 acres of land that is being restored and that is capable of growing a commercial forest.

(b) A taxpayer may claim one-half of the amount determined in subsection (a) above in the year of initial certification and one-half in the year of final certification.

(c) (1) If reforestation or timber stand improvement activities do not meet the requirements for final certification, the taxpayer shall: