

Article 81 - Revenue and Taxes
Section 176A
Annotated Code of Maryland
(1980 Replacement Volume and 1985 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 81 - Revenue and Taxes

176A.

(A) FOR PURPOSES OF THIS SECTION, "SMALL BUSINESS" MEANS A FIRM THAT MEETS THE FOLLOWING CRITERIA:

- (1) IT IS INDEPENDENTLY OWNED AND OPERATED;
- (2) IT IS NOT A SUBSIDIARY OF ANOTHER FIRM;
- (3) IT IS NOT DOMINANT IN ITS FIELD OF OPERATION; AND
- (4) ITS OPERATIONS DID NOT EMPLOY MORE THAN 25 PERSONS, ~~AND ITS GROSS SALES DID NOT EXCEED \$500,000~~ IN ITS MOST RECENTLY COMPLETED FISCAL YEAR.

(B) NOTWITHSTANDING THE PROVISIONS OF THIS SUBTITLE, THE COMPTROLLER MAY GRANT AN ALTERNATIVE PAYMENT SCHEDULE, THAT IS NOT TO EXCEED A 5-YEAR PERIOD, FOR THE INHERITANCE TAX IMPOSED UNDER THIS SUBTITLE IF PAYMENT OF THE TAX ON THE NORMAL DUE DATE WOULD REQUIRE THE PARTY LIABLE FOR PAYMENT OF THE TAX TO SELL A SMALL BUSINESS, OR ANY INTEREST IN A SMALL BUSINESS, OWNED IN WHOLE OR IN PART BY THE DECEDENT, THAT IS SUBJECT TO THE INHERITANCE TAX.

(C) THE PAYMENT SCHEDULE MAY BE IN THE FORM OF:

- (1) A PAYMENT DEFERRAL; OR
- (2) AN INSTALLMENT PAYMENT PLAN.

(D) IN GRANTING AN ALTERNATIVE PAYMENT SCHEDULE UNDER SUBSECTION (B) OF THIS SECTION, THE COMPTROLLER SHALL SPECIFY, ON A CASE-BY-CASE BASIS, THE PROCEDURES AND GUIDELINES FOR THE PAYMENT SCHEDULE, INCLUDING:

- (1) THE CONDITIONS OF ELIGIBILITY FOR ALTERNATIVE PAYMENT;
- (2) THE AMOUNT AND DURATION OF ANY PAYMENT DEFERRAL;
- (3) THE AMOUNT OF AND SCHEDULED TIME FOR INSTALLMENT PAYMENTS.