

AN ACT concerning

Gross Receipts Tax - Estimated Taxes

FOR the purpose of requiring gross receipts taxpayers to pay interest under certain circumstances if estimated tax payments are less than a minimum amount; providing for the rate of interest and terms of payment of interest; providing for the effective date of this Act; and generally relating to the payment of interest on estimated gross receipts taxes under certain circumstances.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes

Section 130A

Annotated Code of Maryland

(1980 Replacement Volume and 1986 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

130A.

(a) For all taxable years beginning after June 30, 1976, every taxpayer subject to taxation under this subtitle 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.

(b) The declaration of estimated tax shall be filed with the State Department of Assessments and Taxation on or before the first day of June of the current taxable year, at which time not less than 50 percent of the tax so estimated for the full taxable year is due and payable.

(c) (1) IF A TAXPAYER UNDER THIS SUBTITLE PAYS ESTIMATED TAXES THAT ARE LESS THAN 50 45 PERCENT OF THE TAXES DUE FOR THE FULL TAXABLE YEAR, THE TAXPAYER SHALL PAY INTEREST ON THE DIFFERENCE BETWEEN THE ESTIMATED TAX PAYMENT AND 50 45 PERCENT OF THE TAXES DUE FOR THE FULL TAXABLE YEAR.

(2) INTEREST UNDER THIS SUBSECTION IS CALCULATED FROM THE DUE DATE OF THE ESTIMATED TAX PAYMENT TO THE DATE OF FINAL TAX PAYMENT FOR THE TAXABLE YEAR.