

(2) SUBJECT TO THE ADDITIONS REQUIRED UNDER SUBSECTION (B) OF THIS SECTION, IN THE MANNER THAT A CORPORATION COMPUTES, FOR PURPOSES OF THE INCOME TAX, THE MARYLAND MODIFIED INCOME.

(B) ADDITION MODIFICATIONS.

A FINANCIAL INSTITUTION SHALL ADD TO ITS NET EARNINGS COMPUTED UNDER SUBSECTION (A) OF THIS SECTION THE AMOUNTS THAT, EVEN IF OTHERWISE ALLOWED TO BE SUBTRACTED UNDER § 10-307(B) AND (G)(3) OF THIS ARTICLE, EQUAL:

(1) PROFIT REALIZED FROM THE SALE OR EXCHANGE OF BONDS ISSUED BY THIS STATE OR A POLITICAL SUBDIVISION OF THIS STATE;

(2) DIVIDENDS RECEIVED FROM FOREIGN CORPORATIONS AND INCLUDED IN FEDERAL GROSS INCOME UNDER § 78 OF THE INTERNAL REVENUE CODE;

(3) INTEREST DERIVED FROM A UNITED STATES OBLIGATION;
AND

(4) INTEREST EXCLUDED FROM FEDERAL GROSS INCOME UNDER § 103 OF THE INTERNAL REVENUE CODE AND DERIVED FROM A BOND:

(I) ISSUED BY A STATE OR A PUBLIC CORPORATION, SPECIAL DISTRICT, POLITICAL SUBDIVISION OF A STATE OR THEIR INSTRUMENTALITIES; OR

(II) UNDER § 150 OF THE INTERNAL REVENUE CODE, TREATED AS A BOND ISSUED BY A STATE OR A PUBLIC CORPORATION, SPECIAL DISTRICT, OR POLITICAL SUBDIVISION OF A STATE OR THEIR INSTRUMENTALITIES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 81, § 128A(a)(6) and (b)(2).

This section is revised to incorporate the substance of former Art. 81, § 128(b)(5)(i) and the second and third sentences of (c). As to the transfer of former Art. 81, § 128(a) through (h-1) to the Session Laws, see the General Revisor's Note to this subtitle.

In subsection (a)(1) of this section, the reference to the "accounting period used as its fiscal year" is substituted for the former reference to an "annual accounting period (whether it is a calendar year or a fiscal year as defined in § 279(h) of this article)", for clarity.

In subsection (a)(2) of this section, the reference to a computation made "in the manner that a corporation computes, for purposes of the income tax, the Maryland