

January 1, 1984 and January 1, 1986, the tax rate and the "net earnings" determination for the taxation of "savings banks and building, savings and loan associations" under former Art. 81, § 128, change to the same rate and "net income" determination that applied to entities taxed under former Art. 81, § 128A as "financial institutions".

In this revision, "financial institution" is redefined to include entities taxed under former Art. 81, §§ 128 and 128A, and a single "financial institution franchise tax" is provided. However, provisions that apply to only 1 of the former entities are revised to apply to the appropriate entity. See, e.g., § 8-213 of this subtitle.

Former Art. 81, § 128(a) through (h-1), which imposed a franchise tax on savings banks and savings and loan associations, is transferred to the Session Laws by Ch. \_\_\_\_\_, Acts of 1988, which also enacted this article.

### SUBTITLE 3. SAVINGS AND LOAN ASSOCIATION FRANCHISE TAX. \*\*

#### 8-301. IMPOSITION OF TAX.

A FRANCHISE TAX, MEASURED BY DEPOSITS ORIGINATING IN THE STATE, IS IMPOSED, FOR EACH CALENDAR YEAR, ON EACH SAVINGS AND LOAN ASSOCIATION.

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

The reference to the tax being "measured by deposits originating in the State" is added to distinguish this tax from the financial institution franchise tax, which is measured by taxable net earnings. As to the financial institution franchise tax, see Subtitle 2 of this title.

The reference to the tax being "imposed" is substituted for the former duty to "pay this State", for consistency with similar provisions elsewhere in this article.

The phrase "for each calendar year" is substituted for the former word "annual", to clarify the applicable period.

The former reference to the franchise tax being "[i]n addition to any other tax imposed" is deleted as surplusage.

Defined term: "Savings and loan association" § 8-101

#### 8-302. TAX RATE.