

(K) TAXABLE YEAR.

(1) "TAXABLE YEAR" MEANS:

(I) THE PERIOD FOR WHICH MARYLAND TAXABLE INCOME IS COMPUTED UNDER THIS TITLE; AND

(II) THE ANNUAL ACCOUNTING PERIOD DEFINED IN § 441 OF THE INTERNAL REVENUE CODE.

(2) "TAXABLE YEAR" INCLUDES:

(I) A CALENDAR YEAR ENDING ON DECEMBER 31, AS DEFINED IN § 441 OF THE INTERNAL REVENUE CODE;

(II) A FISCAL YEAR ENDING ON THE LAST DAY OF A MONTH OTHER THAN DECEMBER, AS DEFINED IN § 441 OF THE INTERNAL REVENUE CODE;

(III) IF A RETURN IS MADE FOR A PERIOD OF LESS THAN 1 YEAR, THE PERIOD FOR WHICH THE RETURN IS MADE; OR

(IV) IF AN ELECTION IS MADE UNDER § 441(F) OF THE INTERNAL REVENUE CODE, THE PERIOD FOR WHICH A RETURN IS MADE.

REVISOR'S NOTE: Paragraphs (1)(i) and (2)(i) through (iii) of this subsection are new language derived without substantive change from former Art. 81, § 279(g) and (h).

Paragraph (1)(ii) of this subsection is new language added to state expressly that the definitions in § 441 of the Internal Revenue Code apply to the taxable year accounting period under this title.

Paragraph (2)(iv) of this subsection is new language added to incorporate the taxable year election under § 441(f) of the Internal Revenue Code.

In paragraph (1)(i) of this subsection, the defined term "Maryland taxable income" is substituted for the former reference to "net income", for clarity.

In paragraph (2)(i) and (ii) of this subsection, the phrase "as defined in § 441 of the Internal Revenue Code" is added for clarity.

In paragraph (2)(ii) of this subsection, the former reference to a fiscal year as ending "during such calendar year" is deleted as surplusage.

In paragraph (2)(iii) of this subsection, the reference to "a period of less than 1 year" is substituted for the former reference to "a fractional