

10-603. SAME -- IN YEAR OF RATE CHANGE.

UNLESS AN ACT THAT CHANGES THE STATE INCOME TAX RATE PROVIDES OTHERWISE, IF THE RATE CHANGES ON A DATE OTHER THAN THE 1ST DAY OF THE TAXABLE YEAR OF A PERSON, THE PERSON SHALL COMPUTE STATE INCOME TAX USING THE TAX RATE THAT APPLIES TO EACH PART OF THE YEAR.

REVISOR'S NOTE: This section is new language derived without substantive change from the introductory language of former Art. 81, § 285 and the first sentence of item (2).

The reference to "using the tax rate that applies to each part of the year" is substituted for former Art. 81, § 285(1), which provided for computation of tentative taxes based on those parts, for clarity.

The second sentence of former Art. 81, § 285(2), which provided for a zero tax rate if the income tax is repealed, is deleted since the Tax - General Article Review Committee believes that, in the event the General Assembly abolished this tax, the act effecting the repeal would state specific provisions for construction and implementation.

Defined terms: "Person" § 1-101
"State income tax" § 10-101 "Taxable year" § 10-101

10-604. COMPUTATION OF COUNTY INCOME TAX.

AN INDIVIDUAL SHALL COMPUTE THE COUNTY INCOME TAX BY APPLYING THE COUNTY TAX RATE TO THE STATE INCOME TAX COMPUTED UNDER § 10-601 OR § 10-602 OF THIS SUBTITLE, AS MODIFIED BY THE CREDITS ALLOWED UNDER SUBTITLE 7 OF THIS TITLE AGAINST THE COUNTY INCOME TAX.

REVISOR'S NOTE: This section is new language added to clarify that the county income tax is computed by applying the county tax rate to the State income tax, adjusted for credits that are allowed against the county income tax. See §§ 10-701 and 10-704 of this title. County income tax is computed against the State income tax without adjustment for credits that are allowed only against the State income tax. See §§ 10-702 and 10-703 of this title.

Defined terms: "County income tax" § 10-101
"Individual" § 10-101 "State income tax" § 10-101

SUBTITLE 7. INCOME TAX CREDITS.

10-701. INCOME TAX WITHHOLDINGS.