

(D) AMOUNT OF CREDIT FOR NONRESIDENT.

THE CREDIT ALLOWED A NONRESIDENT UNDER SUBSECTION (A) OF THIS SECTION FOR TAX ON INCOME PAID TO THE STATE WHERE THE NONRESIDENT RESIDES IS A FRACTION:

(1) THE NUMERATOR OF WHICH IS THE MARYLAND TAXABLE INCOME OF THE NONRESIDENT; AND

(2) THE DENOMINATOR OF WHICH IS THE TAXABLE INCOME ON WHICH THE NONRESIDENT PAID THE TAX TO THE STATE WHERE THE NONRESIDENT RESIDES.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 81, § 290(c) and, except the reference to "satisfactory evidence", (a), the first sentence of § 291(a), and the fifth clause of the fourth sentence of § 279(i).

Subsection (a) of this section is revised to combine the former separate allowances for a "resident individual" and "individual not a resident of this State", for clarity.

In subsection (a) of this section, the defined term "State income tax" and the word "only" are substituted for the former references to "income payable ... under this subtitle", to limit the credit. Therefore, former Art. 81, § 290(b), which precluded reduction of "any local income tax imposed under § 283 of this article", is deleted as unnecessary.

Also in subsection (a) of this section, the word "credit" is substituted for the former requirements that the State income tax "shall be reduced" and "shall be credited", for clarity.

Also in subsection (a) of this section, the word "paid" is substituted for the former words "has become liable for" to clarify that payment of taxes to another state is a prerequisite to claiming a credit under this section.

In subsection (b)(2) of this section, the reference to "a resident for less than the full taxable year" is substituted for the former reference to an "individual filing a return in accordance with this provision", to clarify that part-year residents are ineligible for the credit.

Also in subsection (b)(2) of this section, the former word "jurisdiction" is deleted as unnecessary in light of the use of the defined term "state".