

~~(ii) THE AMOUNT OF THE REDUCTION IN TAX RESULTING FROM:~~

~~1. A FEDERAL INCOME TAX ADJUSTMENT, OR~~

~~2. A NET OPERATING LOSS ALLOWED TO BE CARRIED BACK ON THE FEDERAL RETURN, NOT INCLUDING ANY INTEREST OR PENALTIES PREVIOUSLY ASSESSED OR PAID.~~

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A CLAIM FOR REFUND OR CREDIT OF OVERPAYMENT OF FINANCIAL INSTITUTION FRANCHISE TAX OR INCOME TAX MAY NOT BE FILED AFTER THE PERIODS OF LIMITATIONS FOR FILING CLAIMS FOR REFUND OR CREDIT OF OVERPAYMENT SET FORTH IN § 6511 OF THE INTERNAL REVENUE CODE.

(2) A CLAIM FOR REFUND OR CREDIT OF OVERPAYMENT MAY NOT BE FILED LATER THAN 1 YEAR FROM THE DATE OF:

(I) A FINAL ADJUSTMENT REPORT OF THE INTERNAL REVENUE SERVICE; OR

(II) A FINAL DECISION OF THE HIGHEST COURT OF THE UNITED STATES TO WHICH AN APPEAL OF A FINAL DECISION OF THE INTERNAL REVENUE SERVICE IS TAKEN.

(3) EXCEPT AS PROVIDED IN PARAGRAPH (4) OF THIS SUBSECTION, A REFUND OR CREDIT OF OVERPAYMENT ALLOWED UPON A CLAIM FILED UNDER THIS SUBSECTION SHALL BE LIMITED TO THE AMOUNTS MAY NOT EXCEED THE AMOUNT OF THE MARYLAND TAX RESULTING FROM THE APPLICATION OF THE LIMITS SET FORTH IN § 6511 OF THE INTERNAL REVENUE CODE.

(4) A REFUND OR CREDIT OF OVERPAYMENT ALLOWED UPON A CLAIM FILED UNDER PARAGRAPH (2) OF THIS SUBSECTION SHALL BE LIMITED TO THE AMOUNT OF THE REDUCTION IN MARYLAND TAX RESULTING FROM THE FEDERAL INCOME TAX ADJUSTMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July 1, 1989~~ June 1, 1989 and shall be applicable to any claim for refund or credit of overpayment filed on or after June 1, 1989.

Approved May 5, 1989.