

other third party shall apply where cancellation is effected under the provisions of this section. The insurer, in accordance with said prescribed notice where it is required to give such notice in behalf of itself or the insured, shall give notice to such governmental agency, mortgagee or other person; and it shall determine and calculate the effective date of cancellation from the day it receives the copy of the notice of cancellation from the premium finance company.

(f) Whenever an insurance contract is cancelled in accordance with this section, the insurer shall return whatever gross unearned premiums are due under the contract, exclusive of agents' earned commissions, to the premium finance company for the account of the insured or insureds within a reasonable time not to exceed 60 days after the receipt by the insurer of the notice of cancellation, or after the completion of any payroll audit necessary to determine the amount of premium earned while the policy was in force. The audit shall be performed within 60 days after the receipt by the insurer of the notice of cancellation.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1989.

Approved May 25, 1989.

CHAPTER 637

(House Bill 65)

AN ACT concerning

Income Tax - Overseas Military Pay - Deduction

FOR the purpose of providing, for purposes of determining Maryland taxable income, a subtraction from federal adjusted gross income ~~for certain of a certain portion of~~ military pay received by certain military personnel; making part of this Act contingent on the passage of another Act; and providing for the application of this Act.

BY repealing and reenacting, without amendments,

Article - Tax - General
Section 10-207(a)
Annotated Code of Maryland
(1988 Volume)