

(II) IS REDUCED TO ZERO IF THE AMOUNT OF MILITARY PAY RECEIVED BY THE INDIVIDUAL EXCEEDS \$30,000.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Tax - General

10-207.

(a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(2) (1) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE FIRST \$15,000 OF MILITARY PAY THAT IS:

(I) RECEIVED BY AN INDIVIDUAL WHO IS IN ACTIVE SERVICE OF ANY BRANCH OF THE ARMED FORCES; AND

(II) ATTRIBUTABLE TO MILITARY SERVICE OF THE INDIVIDUAL OUTSIDE THE UNITED STATES.

(2) THE AMOUNT OF THE SUBTRACTION UNDER PARAGRAPH (1) OF THIS SUBSECTION:

(I) IS REDUCED DOLLAR FOR DOLLAR IN THE AMOUNT BY WHICH MILITARY PAY RECEIVED BY THE INDIVIDUAL EXCEEDS \$15,000; AND

(II) IS REDUCED TO ZERO IF THE AMOUNT OF MILITARY PAY RECEIVED BY THE INDIVIDUAL EXCEEDS \$30,000.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 1989, contingent on the taking effect of Chapter (H.B. 229) of the Acts of the General Assembly of 1989, in which event, Section 1 of this Act shall be null and void without the necessity of further action by the General Assembly.

SECTION 4. AND BE IT FURTHER ENACTED, That if Chapter (H.B. 229) of the Acts of the General Assembly of 1989 is not enacted, Section 1 of this Act shall take effect July 1, 1989, and Section 2 of this Act shall be null and void without the necessity of further action by the General Assembly.