

(1988 Volume and 1992 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Tax - General**

10-218.

(a) Only an individual who itemizes deductions on the individual's federal income tax return may elect to itemize deductions on the individual's income tax return.

(b) An individual who elects to itemize deductions is allowed as a deduction the sum of the individual's federal itemized deductions:

(1) limited and reduced as required under the Internal Revenue Code; and

(2) further reduced by the amount claimed as taxes on income paid to a state or political subdivision of a state, [determined without regard to any reductions under § 68 of the Internal Revenue Code] ~~AS ADJUSTED UNDER SUBSECTION (C) OF THIS SECTION.~~

~~(C) THE AMOUNT OF TAXES ON INCOME PAID TO A STATE OR POLITICAL SUBDIVISION OF A STATE SUBTRACTED FROM FEDERAL ITEMIZED DEDUCTIONS UNDER SUBSECTION (B)(2) OF THIS SECTION SHALL BE REDUCED BY AN AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING THE TOTAL REDUCTION TO ITEMIZED DEDUCTIONS REQUIRED UNDER § 68 OF THE INTERNAL REVENUE CODE TIMES A FRACTION:~~

~~(1) THE NUMERATOR OF WHICH IS THE AMOUNT CLAIMED AS TAXES PAID TO A STATE OR POLITICAL SUBDIVISION OF A STATE; AND~~

~~(2) THE DENOMINATOR OF WHICH IS THE TOTAL AMOUNT OF FEDERAL ITEMIZED DEDUCTIONS, WITHIN THE MEANING OF § 68(C) OF THE INTERNAL REVENUE CODE, BEFORE THE REDUCTION REQUIRED UNDER § 68. AFTER SUBTRACTING A PRO RATA PORTION OF THE REDUCTION TO ITEMIZED DEDUCTIONS REQUIRED UNDER § 68 OF THE INTERNAL REVENUE CODE.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1993 and shall apply to all taxable years beginning after December 31, 1992.

Approved May 11, 1993.

**CHAPTER 256**

**(Senate Bill 636)**

AN ACT concerning

**Income Tax - Subtraction Modification for Two-Income Households**

FOR the purpose of altering a subtraction modification under the income tax to provide