

income tax if the amount unpaid is less than a certain amount; and providing for the application of this Act.

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 10-815(a), 13-602, and 13-702

Annotated Code of Maryland

(1988 Volume and 1993 Supplement)

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

**Article - Tax - General**

10-815.

(a) Except as provided in subsections (b) and (c) of this section, each individual who reasonably expects estimated income tax for a taxable year on income not subject to withholding under Subtitle 9 of this title to exceed ~~[\$100]-ONE-HALF-THE AMOUNT SPECIFIED IN § 6654(E)(1) OF THE INTERNAL REVENUE CODE~~ shall file a declaration of estimated income tax.

13-602.

(A) ~~[A]~~ EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A tax collector shall assess interest on unpaid tax from the due date to the date on which the tax is paid if a person who is required to estimate and pay financial institution franchise tax, public service company franchise tax, or income tax under § 8-210(b), § 8-405(b), or § 10-902 of this article:

(1) fails to pay an installment when due; or

(2) estimates a tax that is:

(i) less than 90% of the tax required to be shown on the return for the current taxable year; and

(ii) less than the tax paid for the prior taxable year.

(B) A TAX COLLECTOR MAY NOT ASSESS INTEREST ON UNPAID INDIVIDUAL INCOME TAX UNDER SUBSECTION (A) OF THIS SECTION IF THE AMOUNT OF UNPAID INCOME TAX IS LESS THAN ONE-HALF THE AMOUNT SPECIFIED IN § 6654(E)(1) OF THE INTERNAL REVENUE CODE.

13-702.

(A) ~~[A]~~ EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A tax collector shall assess a penalty not exceeding 25% of the amount underestimated, if a person who is required to estimate and pay financial institution franchise tax, public service company franchise tax, or income tax under § 8-210(b), § 8-405(b), or § 10-902 of this article: