

(C) (1) IN ADDITION TO THE PARTIAL EXEMPTION GRANTED UNDER SUBSECTION (B) OF THIS SECTION, THE GOVERNING BODY OF A MUNICIPAL CORPORATION OR COUNTY MAY PROVIDE, BY LAW, AN EXEMPTION FROM COUNTY OR MUNICIPAL CORPORATION PROPERTY TAX IMPOSED ON ALL MACHINERY, EQUIPMENT, MATERIALS, AND SUPPLIES IF CONSUMED IN OR USED PRIMARILY IN RESEARCH AND DEVELOPMENT.

(2) THE GOVERNING BODY OF THE MUNICIPAL CORPORATION OR COUNTY MAY PROVIDE, BY LAW:

(I) FOR THE AMOUNT OF THE PROPERTY TAX EXEMPTION UNDER THIS SUBSECTION; AND

(II) FOR THE APPLICATION OF THE EXEMPTION TO PROPERTY PURCHASED OR TRANSFERRED INTO THE STATE ON OR BEFORE DECEMBER 31, 1994, AS WELL AS TO PROPERTY ELIGIBLE FOR THE PARTIAL EXEMPTION UNDER SUBSECTION (B) OF THIS SECTION.

(3) THE GOVERNING BODY OF A MUNICIPAL CORPORATION OR COUNTY THAT ENACTS AN EXEMPTION UNDER THIS SUBSECTION SHALL SUBMIT A COPY OF THE LAW TO THE DEPARTMENT.

(4) IF THE DEPARTMENT RECEIVES A COPY OF THE LAW ON OR BEFORE MARCH 1, THE EXEMPTION SHALL BE EFFECTIVE FOR THE TAXABLE YEAR FOLLOWING THE DATE THE LAW IS ENACTED.

SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 9-223 of Article - Tax - Property of the Annotated Code of Maryland be repealed.

SECTION 4. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Tax - General

8-204.

(a) A financial institution shall compute its net earnings:

(1) based on the accounting period used as its fiscal year; and

(2) subject to the ~~modifications required~~ REQUIREMENTS under this section, in the manner that a corporation computes, for purposes of the income tax, the Maryland modified income.

(b) A financial institution shall add to its net earnings computed under subsection (a) of this section the amounts that, even if otherwise allowed to be subtracted under § 10-307(b) and (g)(2) and (5) of this article, equal:

(1) profit realized from the sale or exchange of bonds issued by this State or a political subdivision of this State;

(2) dividends received from foreign corporations and included in federal gross income under § 78 of the Internal Revenue Code;