

CHAPTER 4

(House Bill 511)

AN ACT concerning

Income Tax Reform 1997 Tax Reduction Act

FOR the purpose of altering a certain tax rate under the Maryland income tax on individuals; altering the amount that an individual may deduct for certain exemptions to determine Maryland taxable income for purposes of the State income tax; altering the maximum amount of a certain subtraction modification for two-income married couples filing joint returns; altering the calculation of the county income tax; altering a requirement that the Comptroller prepare certain income tax tables; altering the rate of a certain tax imposed on certain entities; altering certain requirements for withholding from certain payments; requiring the Comptroller to design the returns and other forms under the income tax in a certain manner; providing a credit against the sales and use tax for certain sales and use tax paid on certain tangible personal property; defining certain terms; altering certain definitions under the sales and use tax; altering an exemption under the sales and use tax for certain property used in a production activity; providing for the effective dates of this Act; providing for the termination of part of this Act; altering the calculation of a certain required distribution of income tax revenues to certain special taxing districts and municipal corporations; providing an addition modification under certain circumstances relating to certain changes to the Internal Revenue Code; reducing the amount allowed for personal exemptions under certain circumstances; establishing a Task Force on Maryland's Fiscal Structure; establishing the membership, duties, purposes, and staffing of the Task Force; requiring the Task Force to submit a certain report to certain persons by certain dates; providing for the termination of the Task Force; requiring the General Assembly to make a certain determination; allowing an individual a credit against the State income tax in certain amounts for each child under a certain age for whom the individual is allowed to deduct an exemption; providing for certain per child credit amounts based on an individual's federal adjusted gross income; making the credit refundable under certain circumstances; providing a certain prorated credit for nonresidents and individuals filing returns for a period of less than 1 year; requiring the Comptroller to issue certain income tax withholding tables reflecting the income tax rate reduction under this Act; providing for the application of this Act; and generally relating to State and county income taxes.

BY repealing and reenacting, with amendments,

Article - Tax - General

Section ~~2-106~~, ~~2-607~~, 10-102.1(d)(1), 10-103(a), 10-105(a), 10-106(a)(1),
~~10-207(r)~~, ~~10-211~~, 10-604, ~~10-704~~, 10-706(c), and 10-908(d) and (e),
~~11-101(d)~~, ~~(f)(3)(ii)~~, and ~~(l)(3)(ii)~~, and ~~11-210(b)(1)~~

Annotated Code of Maryland

(1988 Volume and 1996 Supplement)

BY repealing and reenacting, without amendments,