

(3) ALLOWING \$1,200 INSTEAD OF THE AMOUNT SPECIFIED IN § 10-211(1) OR (2) OF THIS TITLE FOR EACH EXEMPTION ALLOWED UNDER § 10-211(1) AND (2) OF THIS TITLE.

10-207.

(r) (1) In this subsection, "modified Maryland adjusted gross income" means Maryland adjusted gross income determined separately for each spouse on a joint return without regard to the subtraction allowed under this subsection.

(2) [For] SUBJECT TO THE LIMITATION UNDER PARAGRAPH (3) OF THIS SUBSECTION, FOR a two-income married couple filing a joint return, the subtraction under subsection (a) of this section includes [the lesser of:

(i) \$1,200; or

(ii) the modified Maryland adjusted gross income of the spouse with the lesser modified Maryland adjusted gross income for the taxable year.

(3) THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS SUBSECTION MAY NOT EXCEED:

(I) \$1,182 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1997 BUT BEFORE JANUARY 1, 1999;

(II) \$1,163 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1998 BUT BEFORE JANUARY 1, 2000;

(III) \$1,144 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1999 BUT BEFORE JANUARY 1, 2001;

(IV) \$1,125 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2000 BUT BEFORE JANUARY 1, 2002; AND

(V) \$1,105 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2001.

10-211.

Whether or not a federal return is filed, to determine Maryland taxable income, an individual other than a fiduciary may deduct as an exemption:

(1) [\$1,200] for each exemption that the individual may deduct in the taxable year to determine federal taxable income under § 151 of the Internal Revenue Code:

(I) \$1,400 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1997 BUT BEFORE JANUARY 1, 1999;

(II) \$1,600 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1998 BUT BEFORE JANUARY 1, 2000;

(III) \$1,850 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1999 BUT BEFORE JANUARY 1, 2001;