

(7) The appropriate treatment of self-generated electricity under the State and local tax structure, including the effect of self-generation on public service company franchise tax and local energy tax revenues and the effectiveness of the special use tax on electricity under this Act in preventing leakage from the public service company franchise tax from self-generated electricity; and

(8) The effect of the 50% personal property tax exemption on the competitiveness of Maryland-based electric generation.

SECTION ~~6~~ 7. AND BE IT FURTHER ENACTED, That, except as provided in Sections 3 and 4 of this Act, this Act shall take effect July 1, 1999.

Approved April 8, 1999.

CHAPTER 7

(Senate Bill 8)

AN ACT concerning

Maryland Higher Education Investment Program - Income Tax Subtraction Modification for Contributions

FOR the purpose of providing that a certain limitation on a subtraction modification for certain payments made under a higher education investment contract in accordance with the Maryland Higher Education Investment Program is applicable to each higher education investment contract; allowing certain amounts disallowed under the subtraction modification as a result of the limitation to be carried over and subtracted for succeeding taxable years; providing for the retroactive application of this Act; making this Act an emergency measure; and generally relating to a subtraction modification for payments made under the Maryland Higher Education Investment Program.

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 10-208(n)

Annotated Code of Maryland

(1997 Replacement Volume and 1998 Supplement)

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

Article - Tax - General

10-208.

(n) (1) The subtraction under subsection (a) of this section includes the amount of advance payments of undergraduate tuition made by an individual DURING THE TAXABLE YEAR as provided under a higher education investment contract in accordance with the Maryland Higher Education Investment Program.