

(b) (1) An eligible low income taxpayer may claim a credit against the STATE income tax for a taxable year in the amount determined under subsection (c) of this section.

(2) AN ELIGIBLE LOW INCOME TAXPAYER MAY CLAIM A CREDIT AGAINST THE COUNTY INCOME TAX FOR A TAXABLE YEAR IN THE AMOUNT DETERMINED UNDER SUBSECTION (D) OF THIS SECTION.

(c) [(1)] Except as provided in [paragraph (2) of this subsection] SUBSECTION (E) OF THIS SECTION, the credit allowed AGAINST THE STATE INCOME TAX under [subsection (b)] SUBSECTION (B)(1) of this section equals the lesser of:

[(i)] (1) the State income tax determined after subtracting the credit allowed under § 10-704(b)(1) of this subtitle; or

[(ii)] (2) an amount equal to 5% of the eligible low income taxpayer's earned income, as defined under § 32(c)(2) of the Internal Revenue Code.

(D) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, THE CREDIT ALLOWED AGAINST THE COUNTY INCOME TAX UNDER SUBSECTION (B)(2) OF THIS SECTION EQUALS THE LESSER OF:

(1) THE COUNTY INCOME TAX DETERMINED AFTER SUBTRACTING THE CREDIT ALLOWED UNDER § 10-704(C) OF THIS SUBTITLE; OR

(2) AN AMOUNT EQUAL TO THE COUNTY INCOME TAX RATE MULTIPLIED TIMES THE ELIGIBLE LOW INCOME TAXPAYER'S EARNED INCOME, AS DEFINED UNDER § 32(C)(2) OF THE INTERNAL REVENUE CODE.

[(2)](E) Of the amount determined under [paragraph (1) of this subsection] SUBSECTION (C) OR SUBSECTION (D) OF THIS SECTION, an individual who is a nonresident or is a resident of the State for only a part of the year is allowed only a fraction:

[(i)] (1) the numerator of which is the individual's Maryland adjusted gross income; and

[(ii)] (2) the denominator of which is the individual's federal adjusted gross income.

10-712.

~~(A) (1) AN INDIVIDUAL MAY CLAIM A CREDIT AGAINST THE STATE INCOME TAX FOR A TAXABLE YEAR IN AN AMOUNT EQUAL TO THE LESSER OF:~~

~~(i) THE STATE INCOME TAX FOR THE TAXABLE YEAR; OR~~

~~(ii) THE PRODUCT OF MULTIPLYING THE NUMBER OF EXEMPTIONS ALLOWED FOR THE TAXABLE YEAR UNDER § 10-211(1) AND (2) OF THIS TITLE TIMES:~~

~~1. \$31.50 FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1998 BUT BEFORE JANUARY 1, 2001;~~