

(I) under § 10-208(n) of this subtitle for the taxable year and all prior taxable years for the individual's PURCHASER'S payments to the [higher education investment] PREPAID contract under which the refund OR DISTRIBUTION is received; OR

(II) UNDER § 10-208(O) OF THIS SUBTITLE FOR THE TAXABLE YEAR AND ALL PRIOR TAXABLE YEARS FOR CONTRIBUTIONS MADE BY A CONTRIBUTOR TO AN INVESTMENT ACCOUNT UNDER WHICH THE REFUND OR DISTRIBUTION IS RECEIVED.

~~(1) (1) IN THIS SUBSECTION, "INVESTMENT ACCOUNT", "QUALIFIED DESIGNATED BENEFICIARY", "CONTRIBUTOR", AND "QUALIFIED HIGHER EDUCATION EXPENSES" HAVE THE MEANINGS STATED IN § 18-19A-01 OF THE EDUCATION ARTICLE.~~

~~(2) THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF ANY DISTRIBUTION RECEIVED BY A CONTRIBUTOR IN THE TAXABLE YEAR FROM AN INVESTMENT ACCOUNT TO THE EXTENT THE DISTRIBUTION IS NOT USED ON BEHALF OF THE QUALIFIED DESIGNATED BENEFICIARY FOR QUALIFIED HIGHER EDUCATION EXPENSES.~~

~~(3) THE AMOUNT OF THE ADDITION REQUIRED UNDER THIS SUBSECTION SHALL BE REDUCED BY ANY AMOUNT INCLUDED IN THE CONTRIBUTOR'S FEDERAL ADJUSTED GROSS INCOME AS A RESULT OF THE DISTRIBUTION.~~

~~(4) THE CUMULATIVE AMOUNT OF THE ADDITION UNDER THIS SUBSECTION FOR THE TAXABLE YEAR AND ALL PRIOR TAXABLE YEARS MAY NOT EXCEED THE CUMULATIVE AMOUNT ALLOWED AS A SUBTRACTION UNDER § 10-208(O) OF THIS SUBTITLE FOR THE TAXABLE YEAR AND ALL PRIOR TAXABLE YEARS FOR THE CONTRIBUTOR'S CONTRIBUTIONS TO THE INVESTMENT ACCOUNT FROM WHICH THE DISTRIBUTION IS RECEIVED.~~

10-207.

(a) To the extent included in federal adjusted gross income, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(s) (1) (I) In this subsection, "tuition" means the charges imposed by an institution of higher education for enrollment at the institution and includes registration and all fees required as a condition of enrollment THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) "QUALIFIED BENEFICIARY" HAS THE MEANING STATED IN § 18-1901 OF THE EDUCATION ARTICLE.

(III) "QUALIFIED DESIGNATED BENEFICIARY" HAS THE MEANING STATED IN § 18-19A-01 OF THE EDUCATION ARTICLE.

(IV) "QUALIFIED HIGHER EDUCATION EXPENSES" HAS THE MEANING STATED IN § 529 OF THE INTERNAL REVENUE CODE.