

Approved by the Governor, November 19, 2007.

CHAPTER 3

(Senate Bill 2)

AN ACT concerning

Tax Reform and ~~Transportation Investment~~ Act of 2007

FOR the purpose of altering a provision relating to the calculation of the income tax required to be withheld on wages; altering the rates and rate brackets under the State income tax on individuals; ~~altering the definition of "resident" under the Maryland income tax;~~ providing for the application of the income tax rates to nonresidents; ~~altering the amount allowed as a deduction for certain exemptions under the Maryland income tax;~~ altering the amount allowed as a deduction for ~~additional exemptions under the Maryland income tax for certain individuals who as of the last day of the taxable year are blind or are at least a certain age;~~ *certain exemptions under certain circumstances*; altering the calculation of the rate of tax that must be paid to the clerk of the circuit court for a county or to the Department of Assessments and Taxation prior to the recording of certain deeds for the sale of certain property; ~~removing a certain restriction on eligibility to claim a refundable earned income credit under certain circumstances;~~ altering the percentage of the federal earned income credit used for determining the amount that certain individuals may claim as a refundable credit under the Maryland earned income credit under certain circumstances; altering eligibility for and the calculation of a refundable county earned income credit if a county provides a refundable county earned income credit; ~~allowing certain individuals having income not exceeding certain levels a credit against the State income tax in a certain amount; making the credit refundable under certain circumstances;~~ ~~imposing a State admissions and amusement tax on the gross receipts not proceeds derived from the operation of certain bingo games and tip jars; providing for the distribution of certain admissions and amusement tax revenue;~~ altering the maximum rate of the admissions and amusement tax that a county or municipal corporation may set for gross receipts that are also subject to the State sales and use tax; altering the rate of the sales and use tax; altering the percentage of gross receipts from vending machine sales to which the sales and use tax rate applies; altering the calculation of imposing a certain limit on a certain credit relating to collecting and paying the sales and use tax; requiring that the Client Protection Fund of the Bar of Maryland impose certain tax clearance requirements on lawyers relating to the payment of certain annual fees; ~~establishing a Chesapeake Bay~~