

Article - Tax - General

10-205.

(a) In addition to the modification under § 10-204 of this subtitle, the amounts under this section are added to the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(H) (1) THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF ANY REFUND RECEIVED BY AN INDIVIDUAL IN THE TAXABLE YEAR UNDER A HIGHER EDUCATION INVESTMENT CONTRACT IN ACCORDANCE WITH THE MARYLAND HIGHER EDUCATION INVESTMENT PROGRAM THAT IS NOT APPLIED ON BEHALF OF THE ~~QUALIFIED~~ BENEFICIARY FOR CHARGES IMPOSED BY AN INSTITUTION OF HIGHER EDUCATION FOR ENROLLMENT AT THE INSTITUTION, INCLUDING TUITION AND REGISTRATION AND OTHER FEES REQUIRED AS A CONDITION OF ENROLLMENT.

(2) THE AMOUNT OF THE ADDITION REQUIRED UNDER THIS SUBSECTION SHALL BE REDUCED BY ANY AMOUNT INCLUDED IN THE INDIVIDUAL'S FEDERAL ADJUSTED GROSS INCOME AS A RESULT OF THE REFUND.

(3) 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(M) OF THIS SUBTITLE FOR THE TAXABLE YEAR AND ALL PRIOR TAXABLE YEARS FOR THE INDIVIDUAL'S PAYMENTS TO THE HIGHER EDUCATION INVESTMENT CONTRACT UNDER WHICH THE REFUND IS RECEIVED.

10-208.

(a) In addition to the modification under § 10-207 of this subtitle, the amounts under this section are subtracted from the federal adjusted gross income of a resident to determine Maryland adjusted gross income.

(M) (1) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF ADVANCE PAYMENTS OF UNDERGRADUATE TUITION MADE BY AN INDIVIDUAL AS PROVIDED UNDER A HIGHER EDUCATION INVESTMENT CONTRACT IN ACCORDANCE WITH THE MARYLAND HIGHER EDUCATION INVESTMENT PROGRAM.

(2) THE SUBTRACTION UNDER PARAGRAPH (1) OF THIS SUBSECTION MAY NOT EXCEED \$2,500 FOR ANY TAXABLE YEAR.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1998 and shall be applicable to all taxable years beginning after December 31, 1997.

Approved May 21, 1998.