

1. 5.5% OF MARYLAND TAXABLE INCOME OF \$500,001 THROUGH \$1,000,000; AND

2. 6.25% OF MARYLAND TAXABLE INCOME IN EXCESS OF \$1,000,000.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Tax - General

11-101.

[(c-1) (1) "Computer service" includes:

- (i) computer facilities management and operation;
- (ii) custom computer programming;
- (iii) computer system planning and design that integrate computer hardware, software, and communication technologies;
- (iv) computer disaster recovery;
- (v) data processing, storage, and recovery;
- (vi) hardware or software installation, maintenance, and repair.

(2) "Computer service" does not include:

- (i) Internet access, as defined in the federal Internet Tax Freedom Act;
- (ii) typing or data entry on word processing equipment;
- (iii) computer training;
- (iv) the installation, maintenance, or repair of tangible personal property other than computer hardware or software that includes computer hardware or software as a component part; or
- (v) a service otherwise described in paragraph (1) of this subsection that is provided as part of or in connection with: