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§10-403.

(a) (1) In this section the following words have the meanings indicated.

(2) (i) “Financial institution” means:

1. a credit company;
2. except as provided in subparagraph (ii)1 of this paragraph,
a finance company;
3. an international banking facility;
4. a loan company;
5. a mortgage company;
6. a safe-deposit company; and
7. a savings and loan association.

(ii) “Financial institution” does not include:

1. a finance company that makes loans only to farmers for
agricultural purposes;
2. a company licensed under the federal Small Business
Investment Act of 1958;
3. a corporation that elects to be taxed as a small business
corporation under Subchapter S of the Internal Revenue Code;
4. an entity that is a real estate mortgage investment conduit
as defined in the Internal Revenue Code;
5. a limited liability company; or
6. a commercial bank, savings bank, trust company, or
company that substantially competes with national banks in the State.

(3) “Financial institution holding company” means a financial institution whose only activities are:

- (i) the maintenance and management of intangible investments;
- and

(ii) the collection and distribution of income from intangible investments.

(b) Notwithstanding § 10-402 of this subtitle, interest received by a financial institution holding company from one of its subsidiary corporations that is a financial institution shall be allocated to this State only to the extent that the interest is derived from the trade or business of the subsidiary corporation within this State.

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