

SENATE BILL 134

Q3

7lr1559

By: **Senators Serafini, Bates, Cassilly, Eckardt, Edwards, Hershey, Jennings,
Norman, Ready, Salling, and Waugh**

Introduced and read first time: January 16, 2017

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Rates**

3 FOR the purpose of altering the State income tax rate on the Maryland taxable income of
4 certain individuals; providing for the application of this Act; and generally relating
5 to the State individual income tax.

6 BY repealing and reenacting, with amendments,
7 Article – Tax – General
8 Section 10–105(a)
9 Annotated Code of Maryland
10 (2016 Replacement Volume)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
12 That the Laws of Maryland read as follows:

13 **Article – Tax – General**

14 10–105.

15 (a) (1) For an individual other than an individual described in paragraph (2)
16 of this subsection, the State income tax rate is:

17 (i) [2%] **4.5%** of Maryland taxable income of [**\$1**] **\$30,001** through
18 [**\$1,000**] **\$90,000**;

19 (ii) [3%] **4.75%** of Maryland taxable income of [**\$1,001**] **\$90,001**
20 through [**\$2,000**;] **\$190,000**; AND

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) **[4%] 5.5%** of Maryland taxable income [of \$2,001 through
2 \$3,000;] **IN EXCESS OF \$190,000.**

3 [(iv) 4.75% of Maryland taxable income of \$3,001 through \$100,000;

4 (v) 5% of Maryland taxable income of \$100,001 through \$125,000;

5 (vi) 5.25% of Maryland taxable income of \$125,001 through \$150,000;

6 (vii) 5.5% of Maryland taxable income of \$150,001 through \$250,000;

7 and

8 (viii) 5.75% of Maryland taxable income in excess of \$250,000.]

9 (2) For spouses filing a joint return or for a surviving spouse or head of
10 household as defined in § 2 of the Internal Revenue Code, the State income tax rate is:

11 (i) **[2%] 4.5%** of Maryland taxable income of **[\$1] \$30,001** through
12 **[\$1,000] \$120,000;**

13 (ii) **[3%] 4.75%** of Maryland taxable income of **[\$1,001] \$120,001**
14 **through [\$2,000;] \$220,000; AND**

15 (iii) **[4%] 5.5%** of Maryland taxable income [of \$2,001 through
16 \$3,000;] **IN EXCESS OF \$220,000.**

17 [(iv) 4.75% of Maryland taxable income of \$3,001 through \$150,000;

18 (v) 5% of Maryland taxable income of \$150,001 through \$175,000;

19 (vi) 5.25% of Maryland taxable income of \$175,001 through \$225,000;

20 (vii) 5.5% of Maryland taxable income of \$225,001 through \$300,000;

21 and

22 (viii) 5.75% of Maryland taxable income in excess of \$300,000.]

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
24 1, 2017, and shall be applicable to all taxable years beginning after December 31, 2017.