

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL NO. 512

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “and Hixson” and substitute “Hixson, and McKee”; strike beginning with “altering” in line 3 down through “State;” in line 7; strike beginning with “corporation” in line 12 down through the first “taxes” in line 13 and substitute “State income tax”; strike beginning with “imposing” in line 14 down through “services;” in line 19 and substitute “requiring an addition modification under the income tax in the amount of a certain credit;”; in line 19, strike “require” and substitute “determine and require”; in line 20, strike “local”; and strike beginning with “to” in line 20 down through “rates” in line 21.

AMENDMENT NO. 2

On page 1, strike line 28 in its entirety and substitute:

“Section 8-409 and 10-307(e)”.

On pages 1 and 2, strike in their entirety the lines beginning with line 31 on page 1 through line 4 on page 2, inclusive.

On page 2, in line 7, after “Section” insert “10-306(c) and”; in the same line, strike “and 11-101(c-1) and (k)(11)”; and strike in their entirety lines 10 through 20, inclusive.

AMENDMENT NO. 3

On pages 2 through 5, strike in their entirety the lines beginning with line 24 on page 2 through line 18 on page 5, inclusive.

AMENDMENT NO. 4

On page 5, in line 22, after the closing bracket insert “PUBLIC SERVICE COMPANY’S”; after line 23, insert:

(Over)

“10-306.

(C) THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES THE AMOUNT OF THE CREDIT ALLOWED UNDER § 10-708 OF THIS TITLE FOR PROPERTY TAXES PAID ON OPERATING REAL PROPERTY BY A PUBLIC UTILITY THAT IS A TELECOMMUNICATIONS COMPANY, DETERMINED WITHOUT REGARD TO THE LIMITATION UNDER § 10-708(B) OF THIS TITLE.”;

strike beginning with “, as” in line 28 down through “article” in line 29; in line 31, before “A” insert “(A)”; in line 35, after “BUSINESS”, insert “OTHER THAN OPERATING LAND”; and after line 35, insert:

“(B) (1) THE CREDIT ALLOWED UNDER THIS SECTION MAY NOT EXCEED THE STATE INCOME TAX IMPOSED FOR THE TAXABLE YEAR, DETERMINED AFTER APPLICATION OF ANY OTHER CREDITS ALLOWABLE UNDER THIS SUBTITLE.

(2) THE UNUSED AMOUNT OF THE CREDIT FOR ANY TAXABLE YEAR MAY NOT BE CARRIED OVER TO ANY OTHER TAXABLE YEAR.”.

AMENDMENT NO. 5

On page 6, strike in their entirety lines 1 through 15, inclusive.

AMENDMENT NO. 6

On page 6, strike in their entirety lines 16 through 30, inclusive.

AMENDMENT NO. 7

On pages 6 and 7, strike in their entirety the lines beginning with line 31 on page 6 through line 24 on page 7, inclusive.

AMENDMENT NO. 8

On page 7, strike in their entirety lines 25 through 33, inclusive, and substitute:

“SECTION 2. AND BE IT FURTHER ENACTED, That:

(1) The Public Service Commission shall determine and require a reduction in telephone rates to be effective January 1, 1998, to reflect the treatment of the 2% public service company franchise tax pursuant to § 8-409 of the Tax - General Article as enacted under Section 1 of

this Act, the cost of which was formerly included in the telephone rates;

(2) The Public Service Commission shall determine and require a reduction in telephone rates to be effective January 1, 1998 to reflect the impact on total State taxes resulting from §§ 10-306(c), 10-307, and 10-708 of the Tax - General Article as enacted under Section 1 of this Act; and

(3) Notwithstanding the provisions of § 8-409 of the Tax - General Article as enacted under Section 1 of this Act, a local telephone service provider may not add the public service company franchise tax to its charge to the customer for local telephone service until the reduction in local telephone rates required under this section is effective.”.

AMENDMENT NO. 9

On page 7, in line 34, strike “4.” and substitute “3.”.

On page 8, strike beginning with “The” in line 3 down through “1998.” in line 5; strike in their entirety lines 6 and 7; in line 8, strike “6.” and substitute “4.”; and in the same line, strike “3” and substitute “2”.