Unofficial Copy Q3 1998 Regular Session 8lr1034

By: Senators Haines, Roesser, McCabe, Craig, Stoltzfus, Colburn, Ferguson,

and Derr

Introduced and read first time: February 6, 1998

Assigned to: Budget and Taxation

## A BILL ENTITLED

1	AN	ACT	concerning
	7 11 1 .	1101	COHCCHIIII

2	Income Tax Reduction

- 3 FOR the purpose of altering a certain tax rate under the Maryland State income tax
- 4 on individuals for certain taxable years; altering the amount that an individual
- 5 may deduct for certain exemptions to determine Maryland taxable income for
- 6 purposes of the State income tax for certain taxable years; altering the
- 7 maximum amount of a certain subtraction modification for two-income married
- 8 couples filing joint returns for certain taxable years; providing for the
- 9 application of this Act; and generally relating to the State income tax.
- 10 BY repealing and reenacting, with amendments,
- 11 Article Tax General
- 12 Section 10-105(a), 10-207(r), and 10-211
- 13 Annotated Code of Maryland
- 14 (1997 Replacement Volume)

#### 15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

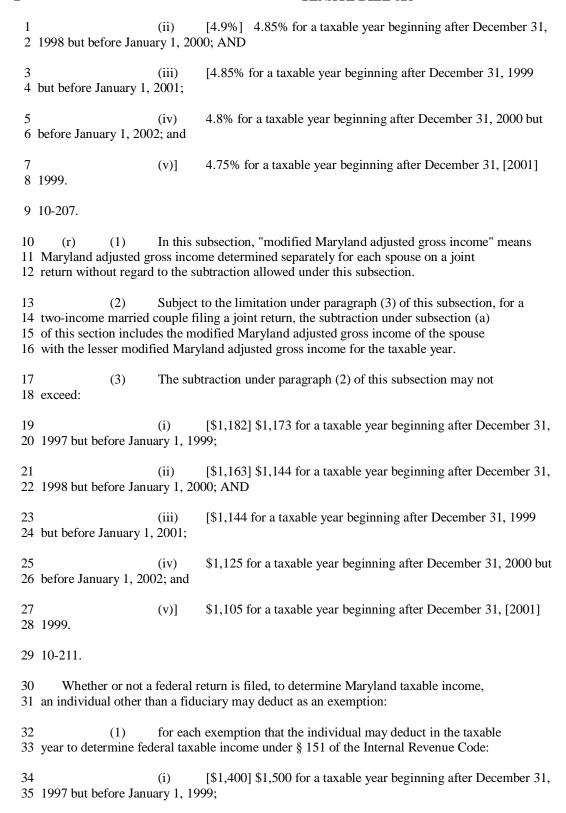
16 MARYLAND, That the Laws of Maryland read as follows:

### 17 Article - Tax - General

18 10-105.

- 19 (a) The State income tax rate for an individual is:
- 20 (1) 2% of Maryland taxable income of \$1 through \$1,000;
- 21 (2) 3% of Maryland taxable income of \$1,001 through \$2,000;
- 22 (3) 4% of Maryland taxable income of \$2,001 through \$3,000; and
- 23 (4) for Maryland taxable income in excess of \$3,000:
- 24 (i) [4.95%] 4.925% for a taxable year beginning after December
- 25 31, 1997 but before January 1, 1999;

#### **SENATE BILL 628**



# SENATE BILL 628

1 2	1998 but before Janua	(ii) ary 1, 200	[\$1,600] \$1,850 for a taxable year beginning after December 31, 0; AND
3 4	but before January 1,	(iii) 2001;	[\$1,850 for a taxable year beginning after December 31, 1999
5 6	before January 1, 200	(iv) 2; and	\$2,100 for a taxable year beginning after December 31, 2000 but
7 8	1999;	(v)]	\$2,400 for a taxable year beginning after December 31, [2001]
9 10	(2) who is at least 65 year		dependent, as defined in § 152 of the Internal Revenue Code, the last day of the taxable year, an additional:
11 12	1997 but before Janu	(i) ary 1, 199	[\$1,400] \$1,500 for a taxable year beginning after December 31, 99;
13 14	1998 but before Janu	(ii) ary 1, 200	[\$1,600] \$1,850 for a taxable year beginning after December 31, 00; AND
15 16	but before January 1	(iii) 2001;	[\$1,850 for a taxable year beginning after December 31, 1999
17 18	before January 1, 200	(iv) 02; and	\$2,100 for a taxable year beginning after December 31, 2000 but
19 20	1999;	(v)]	\$2,400 for a taxable year beginning after December 31, [2001]
21 22	(3) year, is at least 65 ye		ional \$1,000 if the individual, on the last day of the taxable nd
23 24	(4) year, is a blind indivi		ional \$1,000 if the individual, on the last day of the taxable lescribed in § 10-208(c) of this subtitle.
			FURTHER ENACTED, That this Act shall take effect cable to all taxable years beginning after December 31,