

BY: Delegate Ports

AMENDMENTS TO HOUSE BILL NO. 13, AS AMENDED
(First Reading File Bill)

AMENDMENT NO. 1

On page 1 of the bill, in line 2, after "Repeal" insert "- Income Tax Reduction"; in line 8, after "offices;" insert "altering a certain tax rate under the Maryland State income tax on individuals for certain taxable years; altering the amount that an individual may deduct for certain exemptions to determine Maryland taxable income for certain taxable years; altering the maximum county income tax rate and certain county income tax rates for certain taxable years; altering the application of certain changes to certain provisions of law related to the county income tax;"; and in line 13, after the first "the" insert "Maryland income tax and the".

On page 2 of the bill, after line 26, insert:

"BY repealing and reenacting, with amendments,

Article - Tax - General

Section 10-105(a), 10-106(a)(1), and 10-211

Annotated Code of Maryland

(1997 Replacement Volume and 1999 Supplement)

BY repealing and reenacting, with amendments,

Chapter 493 of the Acts of the General Assembly of 1999

Section 3 and 5".

AMENDMENT NO. 2

On page 18 of the bill, after line 8, insert:

"SECTION 6. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

(Over)

Article - Tax - General

10-105.

- (a) The State income tax rate for an individual is:
- (1) 2% of Maryland taxable income of \$1 through \$1,000;
 - (2) 3% of Maryland taxable income of \$1,001 through \$2,000;
 - (3) 4% of Maryland taxable income of \$2,001 through \$3,000; and
 - (4) for Maryland taxable income in excess of \$3,000:
 - (i) 4.875% for a taxable year beginning after December 31, 1997 but before January 1, 1999;
 - (ii) 4.85% for a taxable year beginning after December 31, 1998 but before January 1, 2000;
 - (iii) [4.85%]4.8% for a taxable year beginning after December 31, 1999 but before January 1, 2001; AND
 - (iv) [4.8%]4.75% for a taxable year beginning after December 31, 2000 [but before January 1, 2002; and
 - (v) 4.75% for a taxable year beginning after December 31, 2001].

10-106.

- (a) (1) Each county shall set, by ordinance or resolution, a county income tax equal to at least 1% but not more than the percentage of an individual's Maryland taxable income as follows:
- (i) 3.05% for a taxable year beginning after December 31, 1998 but before January 1, [2001] 2000;
 - (ii) 3.10% for a taxable year beginning after December 31, [2000] 1999

but before January 1, [2002] 2001; and

(iii) 3.20% for a taxable year beginning after December 31, [2001] 2000.

10-211.

Whether or not a federal return is filed, to determine Maryland taxable income, an individual other than a fiduciary may deduct as an exemption:

(1) for each exemption that the individual may deduct in the taxable year to determine federal taxable income under § 151 of the Internal Revenue Code:

(i) \$1,750 for a taxable year beginning after December 31, 1997 but before January 1, 1999;

(ii) \$1,850 for a taxable year beginning after December 31, 1998 but before January 1, 2000;

(iii) [\$1,850] \$2,100 for a taxable year beginning after December 31, 1999 but before January 1, 2001; AND

(iv) [\$2,100] \$2,400 for a taxable year beginning after December 31, 2000 [but before January 1, 2002; and

(v) \$2,400 for a taxable year beginning after December 31, 2001];

(2) for each dependent, as defined in § 152 of the Internal Revenue Code, who is at least 65 years old on the last day of the taxable year, an additional:

(i) \$1,750 for a taxable year beginning after December 31, 1997 but before January 1, 1999;

(ii) \$1,850 for a taxable year beginning after December 31, 1998 but

(Over)

before January 1, 2000;

(iii) [\$1,850] \$2,100 for a taxable year beginning after December 31, 1999 but before January 1, 2001; AND

(iv) [\$2,100] \$2,400 for a taxable year beginning after December 31, 2000 [but before January 1, 2002; and

(v) \$2,400 for a taxable year beginning after December 31, 2001];

(3) an additional \$1,000 if the individual, on the last day of the taxable year, is at least 65 years old; and

(4) an additional \$1,000 if the individual, on the last day of the taxable year, is a blind individual, as described in § 10-208(c) of this subtitle.

Chapter 493 of the Acts of 1999

SECTION 3. AND BE IT FURTHER ENACTED, That, notwithstanding any other provision of law and except as provided in this section, the county income tax rate in each county, including Baltimore City, shall be determined by the table set forth in this section. In lieu of the use of the table contained in this section for determining the county income tax rate, the county tax rate in each county for all calendar years after [1999] 2000 may be established by the county in accordance with § 10-106 of the Tax - General Article.

	<u>1999</u>	<u>[2000]</u>	<u>[2001] 2000</u>	<u>[2002] 2001</u>
<u>Allegany</u>	<u>2.83%</u>	<u>[2.82%]</u>	<u>2.87%</u>	<u>2.93%</u>
<u>Anne Arundel</u>	<u>2.51%</u>	<u>[2.50%]</u>	<u>2.53%</u>	<u>2.56%</u>
<u>Baltimore</u>	<u>2.77%</u>	<u>[2.76%]</u>	<u>2.79%</u>	<u>2.83%</u>
<u>Baltimore City</u>	<u>2.50%</u>	<u>[2.48%]</u>	<u>2.51%</u>	<u>2.54%</u>
<u>Calvert</u>	<u>2.52%</u>	<u>[2.52%]</u>	<u>2.55%</u>	<u>2.60%</u>
<u>Caroline</u>	<u>3.04%</u>	<u>[3.02%]</u>	<u>[3.08%] 2.83%</u>	<u>[3.16%] 2.90%</u>
<u>Carroll</u>	<u>2.77%</u>	<u>[2.77%]</u>	<u>2.80%</u>	<u>2.85%</u>

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<u>Cecil</u>	<u>2.52%</u>	<u>[2.51%]</u>	<u>2.55%</u>	<u>2.60%</u>
<u>Charles</u>	<u>2.52%</u>	<u>[2.51%]</u>	<u>[2.55%] 2.85%</u>	<u>[2.59%] 2.90%</u>
<u>Dorchester</u>	<u>2.52%</u>	<u>[2.51%]</u>	<u>2.56%</u>	<u>2.62%</u>
<u>Frederick</u>	<u>2.52%</u>	<u>[2.51%]</u>	<u>2.55%</u>	<u>2.59%</u>
<u>Garrett</u>	<u>2.54%</u>	<u>[2.53%]</u>	<u>2.58%</u>	<u>2.65%</u>
<u>Harford</u>	<u>2.52%</u>	<u>[2.51%]</u>	<u>2.55%</u>	<u>2.59%</u>
<u>Howard</u>	<u>2.41%</u>	<u>[2.41%]</u>	<u>2.43%</u>	<u>2.45%</u>
<u>Kent</u>	<u>2.52%</u>	<u>[2.51%]</u>	<u>2.54%</u>	<u>2.58%</u>
<u>Montgomery</u>	<u>3.01%</u>	<u>[3.00%]</u>	<u>[3.02%] 2.92%</u>	<u>[3.05%] 2.95%</u>
<u>Prince George's</u>	<u>3.01%</u>	<u>[3.00%]</u>	<u>3.04%</u>	<u>3.10%</u>
<u>Queen Anne's</u>	<u>2.77%</u>	<u>[2.76%]</u>	<u>2.80%</u>	<u>2.85%</u>
<u>St. Mary's</u>	<u>2.92%</u>	<u>[2.92%]</u>	<u>2.97%</u>	<u>3.03%</u>
<u>Somerset</u>	<u>3.03%</u>	<u>[3.01%]</u>	<u>3.08%</u>	<u>3.15%</u>
<u>Talbot</u>	<u>1.76%</u>	<u>[1.75%]</u>	<u>1.77%</u>	<u>1.79%</u>
<u>Washington</u>	<u>2.52%</u>	<u>[2.51%]</u>	<u>2.55%</u>	<u>2.60%</u>
<u>Wicomico</u>	<u>3.02%</u>	<u>[3.01%]</u>	<u>3.05%</u>	<u>3.10%</u>
<u>Worcester</u>	<u>1.01%</u>	<u>[1.00%]</u>	<u>[1.02%] 1.28%</u>	<u>[1.04%] 1.30%</u>

SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect [January 1, 2001] JULY 1, 2000 and shall be applicable to all taxable years beginning after December 31, [2001] 2000."

AMENDMENT NO. 3

On page 10 of the Committee on Ways and Means Amendments (HB0013/275861/2), in line 4 of Amendment No. 6, strike "6." and substitute "7."; in line 16, strike "7." and substitute "8."; and in line 18, strike "8." and substitute "9.".

On page 18 of the bill, after line 31, insert:

"SECTION 10. AND BE IT FURTHER ENACTED, That Section 6 of this Act shall take effect July 1, 2000 and shall be applicable to all taxable years beginning after December 31, 1999."

On page 11 of the Committee on Ways and Means Amendments, in line 2 of Amendment

(Over)

No. 6, strike "9." and substitute "11."; and in line 3, strike "Sections 7 and 8" and substitute "Sections 8 through 10".