

BY: Delegate Greenip

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 - Personal Exemptions and Standard Deduction - Cost-of-Living Adjustment"; in line 8, after "offices;" insert "increasing the amount allowed to be deducted for personal exemptions and the minimum and maximum amounts for the standard deduction under the Maryland income tax for certain taxable years by a certain cost-of-living adjustment; repealing certain obsolete provisions;"; 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 adding to

Article - Tax - General

Section 10-202

Annotated Code of Maryland

(1997 Replacement Volume and 1999 Supplement)

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 10-211 and 10-217(c)

Annotated Code of Maryland

(1997 Replacement Volume and 1999 Supplement)".

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

10-202.

(A) (1) SUBJECT TO SUBSECTION (C) OF THIS SECTION, FOR EACH TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2000, THE PER-EXEMPTION DEDUCTION AMOUNT SPECIFIED UNDER § 10-211(1) AND (2) OF THIS SUBTITLE SHALL BE INCREASED BY AN AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING THE AMOUNT TIMES THE COST-OF-LIVING ADJUSTMENT DETERMINED UNDER SUBSECTION (B) OF THIS SECTION.

(2) SUBJECT TO SUBSECTION (C) OF THIS SECTION, FOR EACH TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2000, EACH MINIMUM AND MAXIMUM STANDARD DEDUCTION AMOUNT SPECIFIED UNDER § 10-217(C) OF THIS SUBTITLE SHALL BE INCREASED BY AN AMOUNT EQUAL TO THE PRODUCT OF MULTIPLYING THE AMOUNT TIMES THE COST-OF-LIVING ADJUSTMENT DETERMINED UNDER SUBSECTION (B) OF THIS SECTION.

(B) FOR PURPOSES OF THIS SECTION, THE COST-OF-LIVING ADJUSTMENT IS THE COST-OF-LIVING ADJUSTMENT WITHIN THE MEANING OF § 1(F)(3) OF THE INTERNAL REVENUE CODE FOR THE CALENDAR YEAR IN WHICH A TAXABLE YEAR BEGINS, AS DETERMINED BY THE COMPTROLLER BY SUBSTITUTING "CALENDAR YEAR 1999" FOR "CALENDAR YEAR 1992" IN § 1(F)(3)(B) OF THE INTERNAL REVENUE CODE.

(C) IF ANY INCREASE DETERMINED UNDER SUBSECTION (A) OF THIS SECTION IS NOT A MULTIPLE OF \$50, THE INCREASE SHALL BE ROUNDED DOWN TO THE NEXT LOWEST MULTIPLE OF \$50.

10-211.

[Whether] SUBJECT TO § 10-202 OF THIS SUBTITLE, 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 for a taxable year beginning after December 31, 1999 but before January 1, 2001;

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

~~[(v)]~~ (III) \$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 before January 1, 2000;

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

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

~~[(v)]~~ (III) \$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

(Over)

(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.

10-217.

(c) (1) [For] SUBJECT TO § 10-202 OF THIS SUBTITLE, FOR an individual other than one described in paragraphs (2) and (3) of this subsection, the standard deduction:

(i) may not be less than \$1,500; and

(ii) may not exceed \$2,000.

(2) For an individual described in § 2 of the Internal Revenue Code as a head of household or as a surviving spouse, the standard deduction:

(i) may not be less than \$3,000; and

(ii) may not exceed \$4,000.

(3) For spouses on a joint return, the standard deduction:

(i) may not be less than \$3,000; and

(ii) may not exceed \$4,000.”.

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, 2000."

On page 11 of the Committee on Ways and Means Amendments, in line 2 of Amendment No. 6, strike "9." and substitute "11."; and in line 3, strike "Sections 7 and 8" and substitute "Sections 8 through 10".