

SENATE BILL 99

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Q1

2002 Regular Session
2lr0035

(PRE-FILED)

By: **Chairman, Budget and Taxation Committee (Departmental -
Assessments and Taxation)**

Requested: October 26, 2001

Introduced and read first time: January 9, 2002

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: January 15, 2002

CHAPTER _____

1 AN ACT concerning

2 **Property Tax - Financial Institutions**

3 FOR the purpose of clarifying that a certain restriction on the imposition of taxes on
4 certain financial institutions does not apply to a political subdivision's regular
5 property tax on real or personal property; providing for the effective date of this
6 Act; and providing for the application of this Act.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - General
9 Section 8-202
10 Annotated Code of Maryland
11 (1997 Replacement Volume and 2001 Supplement)

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

14 **Article - Tax - General**

15 8-202.

16 (a) (1) For all taxable years beginning before January 1, 2001, a franchise
17 tax, measured by taxable net earnings, is imposed annually on each financial
18 institution existing or doing business in the State during any part of the fiscal year of
19 the financial institution.

1 (2) For all taxable years beginning after December 31, 2000, the
2 financial institution franchise tax is terminated, and Maryland taxable income of
3 financial institutions shall be subject to taxation under Title 10 of this article.

4 (b) A county, municipal corporation, special taxing district, or other political
5 subdivision of the State may not impose on a savings bank or savings and loan
6 association any tax other than its regular tax on [real] property.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
8 effect June 1, 2002 and shall be applicable to all taxable years beginning after June
9 30, 2001.