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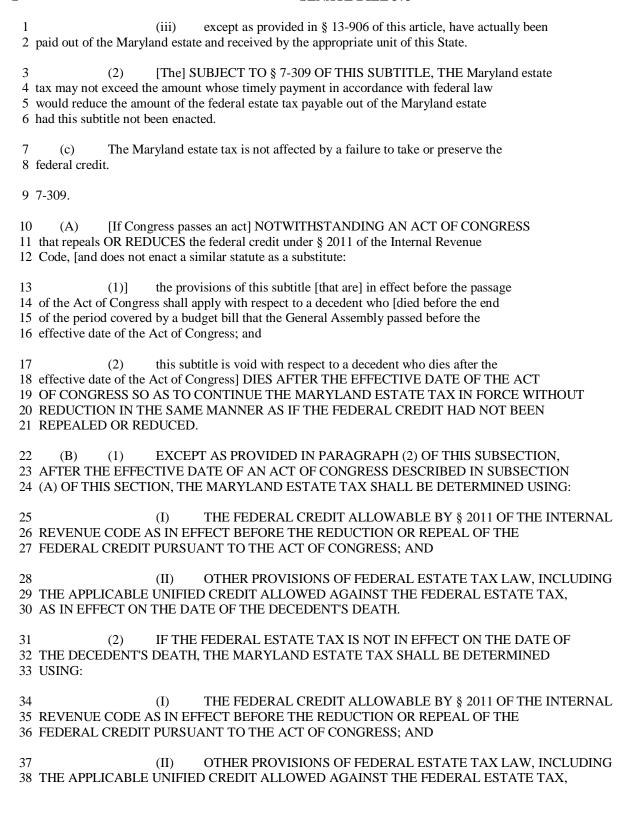
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2002 Regular Session 2lr1365

By: Senators Hoffman, Kelley, Lawlah, and Ruben Introduced and read first time: January 29, 2002 Assigned to: Budget and Taxation A BILL ENTITLED 1 AN ACT concerning 2 Maryland Estate Tax - Effect of Act of Congress Repealing or Reducing 3 **Federal Credit** 4 FOR the purpose of altering the effect on the Maryland estate tax of an Act of 5 Congress that repeals or reduces a certain credit allowed against the federal 6 estate tax; providing for the application of this Act; and generally relating to the Maryland estate tax. 7 BY repealing and reenacting, with amendments, 8 Article - Tax - General 10 Section 7-304 and 7-309 Annotated Code of Maryland 11 12 (1997 Replacement Volume and 2001 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 13 14 MARYLAND, That the Laws of Maryland read as follows: Article - Tax - General 15 16 7-304. 17 [In] SUBJECT TO § 7-309 OF THIS SUBTITLE, IN this section, "federal (a) 18 credit" means the maximum credit for death taxes paid to any state that is allowable 19 under § 2011 of the Internal Revenue Code against the federal estate tax of a decedent 20 as reduced by the proportion that the amount of the estate not included in the 21 Maryland estate bears to the amount of the entire estate of the decedent. 22 Except as otherwise provided in this subsection, the Maryland estate 23 tax is the amount, if any, by which the federal credit exceeds the total of death taxes 24 other than the Maryland estate tax that: 25 (i) are imposed by a state on property included in the Maryland 26 estate;

are allowable in computing the federal credit; and

## **SENATE BILL 373**



- 1 AS IN EFFECT ON THE DATE IMMEDIATELY PRECEDING THE EFFECTIVE DATE OF
- 2 THE REPEAL OF THE FEDERAL ESTATE TAX.
- 3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 4 July 1, 2002 and shall be applicable to any Act of Congress enacted on or after
- 5 January 1, 2001; provided, however, that this Act does not apply to decedents dying
- 6 before July 1, 2002.