

BY: Senator Currie

AMENDMENTS TO HOUSE BILL NO. 753, AS AMENDED
(Third Reading File Bill)

AMENDMENT NO. 1

On page 2 of the bill, in line 43, after “organization:” insert “imposing a certain surcharge on the Maryland taxable income of corporations for a certain taxable year; requiring the Comptroller to assess interest and penalties under certain circumstances;”.

On page 1 of the Budget and Taxation Committee Amendments (HB0753/249234/1), in line 7 of Amendment No. 2, after “Section” insert “10-101(j), 10-102, 10-105(b), and”.

AMENDMENT NO. 2

On page 39 of the bill, after line 24, insert:

“10-101.

(j) (1) “State income tax” means the State tax on income imposed under this title.

(2) “STATE INCOME TAX” INCLUDES THE SURCHARGE ON INCOME OF CORPORATIONS IMPOSED UNDER § 10-102(2) OF THIS SUBTITLE.

10-102.

Except as provided in § 10-104 of this subtitle[,]:

(1) a tax is imposed on the Maryland taxable income of each individual and of each corporation; AND

(2) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2002 BUT BEFORE JANUARY 1, 2004, IN ADDITION TO THE TAX IMPOSED UNDER ITEM (1)

(Over)

OF THIS SECTION, A SURCHARGE IS IMPOSED ON THE MARYLAND TAXABLE INCOME OF EACH CORPORATION.”.

On page 40 of the bill, in line 10, after the period, insert:

“10-105.

(b) (1) [The] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE State income tax rate for a corporation is 7% of Maryland taxable income.

(2) THE RATE OF THE SURCHARGE IMPOSED UNDER § 10-102(2) OF THIS SUBTITLE IS 10% OF THE TAX IMPOSED UNDER PARAGRAPH (1) OF THIS SUBSECTION.”.

AMENDMENT NO. 3

On page 3 of the Budget and Taxation Committee Amendments, after line 3 of Amendment No. 6, insert:

“SECTION 5. AND BE IT FURTHER ENACTED, That, for a taxable year beginning after December 31, 2002 but before January 1, 2004:

(1) A corporation’s estimated tax payments for the taxable year shall reflect the income tax surcharge imposed under § 10-102(2) of the Tax - General Article, as enacted by Section 1 of this Act; and

(2) Notwithstanding §§ 13-602 and 13-702 of the Tax - General Article, the Comptroller shall assess interest and penalties under §§ 13-602 and 13-702 of the Tax - General Article if a corporation pays estimated income tax for the taxable year in an amount less than 90% of the tax required to be shown on the corporation’s income tax return for the taxable year.”;

in line 4, strike “5.” and substitute “6.”; and in the same line, strike “4” and substitute “5”.