Unofficial Copy Q3 2003 Regular Session 3lr1872 CF HB 81

Ry Sanators Astla Colburn DaCranga Caragiala Harris Hooner Jacobs

By: Senators Astle, Colburn, DeGrange, Garagiola, Harris, Hooper, Jacobs, Lawlah, Munson, and Stone

Introduced and read first time: January 31, 2003

Assigned to: Budget and Taxation

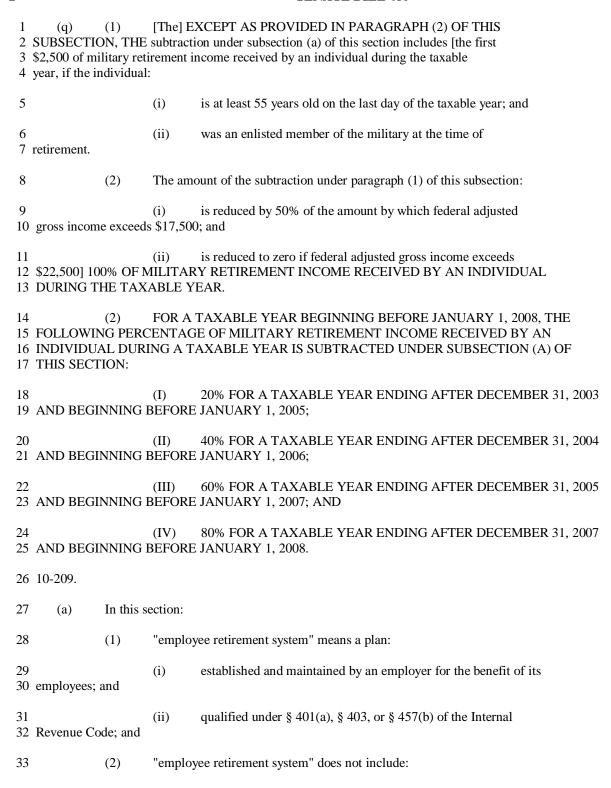
A BILL ENTITLED

	Λ	Λ("Ι"	concerning
1	$\Delta I I$	ΔCI	COHCCHIIII

2 Income Tax - Subtraction Modification - Military Retirement Income

- 3 FOR the purpose of altering a certain subtraction modification under the Maryland
- 4 income tax for military retirement income over a certain period of time;
- 5 providing that retirement income that is included in a certain subtraction may
- 6 not be taken into account for purposes of a certain subtraction modification
- 7 allowed under the income tax for certain individuals who are at least a certain
- 8 age or who are disabled or have disabled spouses; providing for the application
- 9 of this Act; and generally relating to a subtraction modification for military
- 10 retirement income.
- 11 BY repealing and reenacting, without amendments,
- 12 Article Tax General
- 13 Section 10-207(a)
- 14 Annotated Code of Maryland
- 15 (1997 Replacement Volume and 2002 Supplement)
- 16 BY repealing and reenacting, with amendments,
- 17 Article Tax General
- 18 Section 10-207(q) and 10-209
- 19 Annotated Code of Maryland
- 20 (1997 Replacement Volume and 2002 Supplement)
- 21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 22 MARYLAND, That the Laws of Maryland read as follows:
- 23 Article Tax General
- 24 10-207.
- 25 (a) To the extent included in federal adjusted gross income, the amounts under
- 26 this section are subtracted from the federal adjusted gross income of a resident to
- 27 determine Maryland adjusted gross income.

SENATE BILL 480



SENATE BILL 480

1 2	Internal Revenue Cod	(i) de;	an individual retirement account or annuity under § 408 of the		
3	Internal Revenue Cod	(ii) de;	a Roth individual retirement account under § 408A of the		
5		(iii)	a rollover individual retirement account;		
6 7	408(k); or	(iv)	a simplified employee pension under Internal Revenue Code §		
8 9	Internal Revenue Cod	(v) de.	an ineligible deferred compensation plan under § 457(f) of the		
12	Maryland adjusted g least 65 years old or	ross incor is totally	TO SUBSECTION (D) OF THIS SECTION, TO determine me, if, on the last day of the taxable year, a resident is at disabled or the resident's spouse is totally disabled, an eral adjusted gross income equal to the lesser of:		
14 15	(1) an employee retirem		ulative or total annuity, pension, or endowment income from n included in federal adjusted gross income; or		
	under subsection (c)	of this se	imum annual benefit under the Social Security Act computed ction, less any payment received as old age, survivors, or ocial Security Act, the Railroad Retirement Act, or both.		
19	(c) For pur	poses of s	subsection (b)(2) of this section, the Comptroller:		
	(1) Security Act allowed year; and		termine the maximum annual benefit under the Social dividual who retired at age 65 for the prior calendar		
23	(2)	may allo	ow the subtraction to the nearest \$100.		
		SUBTIT	INCOME THAT IS INCLUDED IN THE SUBTRACTION UNDER § LE MAY NOT BE TAKEN INTO ACCOUNT FOR PURPOSES OF ER THIS SECTION.		
27 28	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2003 and shall be applicable to all taxable years after December 31, 2003.				