

BY: Budget and Taxation Committee

AMENDMENTS TO HOUSE BILL NO. 297  
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 14, after “terms;” insert “requiring the Comptroller to administer a certain Settlement Period during a certain period; providing for the applicability of the Settlement Period to certain corporation income taxes; requiring the Comptroller, during the Settlement Period, to waive certain penalties and to assess certain interest at not more than a certain rate under certain circumstances; providing that certain assessments for certain taxable years may not be enforced under certain circumstances;”.

AMENDMENT NO. 2

On page 4, strike beginning with “BY” in line 20 down through “EVIDENCE” in line 21.

AMENDMENT NO. 7

On page 8, after line 23, insert:

“SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) The Comptroller shall administer a Settlement Period from July 1, 2004 through November 1, 2004.

(b) The Settlement Period shall be applicable to the Maryland corporation income tax that has been or may be assessed by the Comptroller on the basis of issues that were ruled on by the Maryland Court of Appeals in the decisions in Comptroller of the Treasury v. SYL, Inc., and Comptroller of the Treasury v. Crown Cork & Seal Company (Delaware), Inc., 375 Md. 78 (2003), whether or not the assessment is or was issued before or after the date of the decisions.

(c) (1) A taxpayer may elect whether to have additional income tax calculated as though otherwise deductible payments were added back to the paying taxpayer’s federal taxable

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income, or as though the receiving taxpayer were subject to the Maryland corporation income tax.

(2) The Maryland income tax may not be imposed more than once for the same transaction.

(d) The Comptroller shall waive all penalties attributable to the taxes paid during the Settlement Period.

(e) The Comptroller shall assess interest on taxes paid during the Settlement Period at a rate not to exceed 6.5% per year.

(f) If all taxes and related interest described above are paid during the Settlement Period for the taxpayer's taxable years beginning on or after January 1, 1995 and ending on or before December 31, 2003, then no assessment for any taxable year beginning before January 1, 1995 may be enforced.”;

in lines 24 and 30, strike “3.” and “4.”, respectively, and substitute “4.” and “5.”, respectively; and in line 31, after “and” insert “, except as provided in Section 3 of this Act,”.