

SENATE BILL 12

Q3

8lr4575

By: **Senators Forehand and Kasemeyer**
Introduced and read first time: October 29, 2007
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Individual Income Tax - Rate**

3 FOR the purpose of altering a certain rate under the State income tax on individuals;
4 repealing certain obsolete provisions; providing for the effective date and
5 application of this Act; and generally relating to the rate of the State income tax
6 on individuals.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - General
9 Section 10-105(a)
10 Annotated Code of Maryland
11 (2004 Replacement Volume and 2007 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 10-105.

16 (a) The State income tax rate for an individual is:

- 17 (1) 2% of Maryland taxable income of \$1 through \$1,000;
18 (2) 3% of Maryland taxable income of \$1,001 through \$2,000;
19 (3) 4% of Maryland taxable income of \$2,001 through \$3,000; and
20 (4) **5%** [for] **OF** Maryland taxable income in excess of \$3,000 [:].

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.



1 (i) 4.875% for a taxable year beginning after December 31, 1997
2 but before January 1, 1999;

3 (ii) 4.85% for a taxable year beginning after December 31, 1998
4 but before January 1, 2000;

5 (iii) 4.85% for a taxable year beginning after December 31, 1999
6 but before January 1, 2001;

7 (iv) 4.8% for a taxable year beginning after December 31, 2000
8 but before January 1, 2002; and

9 (v) 4.75% for a taxable year beginning after December 31,
10 2001.]

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 January 1, 2008, and shall be applicable to all taxable years beginning after December
13 31, 2007.