

HB0108/905467/1

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL 108

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Delegate Feldman” and substitute “Delegates Feldman, Bartlett, Boteler, Cardin, Elmore, Doory, Frick, George, Gilchrist, Hixson, Howard, Ivey, Kaiser, Murphy, Myers, Olszewski, Rice, Ross, Stukes, F. Turner, and Walker”; in line 3, after “penalties” insert “and interest”; in line 6, after “amnesty;” insert “authorizing the Comptroller to enter into certain agreements to provide a certain waiver under certain circumstances with respect to certain taxes that a taxpayer agrees to pay in accordance with certain terms and a certain schedule;”; strike beginning with “providing” in line 7 down through “program;” in line 8; in line 8, strike “an” and substitute “a tax”; and in line 12, strike “31” and substitute “30”.

AMENDMENT NO. 2

On page 2, in line 1, strike “The” and substitute “(1) Except as otherwise provided in this section, the”; in line 2, strike “attributable to taxes paid during the amnesty period,” and substitute “and one-half of the interest”; in lines 4, 6, 7, 8, 9, 10, 11, 12, and 14, strike “(1)”, “(i)”, “(ii)”, “(iii)”, “(iv)”, “(v)”, “(2)”, “(i)”, and “(ii)”, respectively, and substitute “(i)”, “1.”, “2.”, “3.”, “4.”, “5.”, “(ii)”, “1.”, and “2.”, respectively; in line 12, after “tax” insert “, including one-half of any interest,”; in line 20, after “tax” insert “, plus one-half of any interest,”; in lines 13 and 21, in each instance, strike “, including all interest”; in lines 14 and 22, in each instance, strike “all” and substitute “one-half of any”; in line 13, strike “or”; in line 15, strike “return.” and substitute “return; or”

3. With respect to delinquent tax due under a return filed during the amnesty period or under a previously filed return, enters into an agreement with the Comptroller under paragraph (2) of this subsection to pay the tax,

(Over)

including one-half of any interest, in accordance with the terms and schedule established in the agreement.

(2) (i) The Comptroller may at the Comptroller's discretion enter into an agreement with a taxpayer to provide a waiver under this section with respect to taxes that are not paid in full during the amnesty period but that the taxpayer agrees to pay in accordance with the terms and schedule established under the agreement.

(ii) Except as otherwise provided in this paragraph, the required terms and schedule for payment under an agreement under this paragraph are entirely at the discretion of the Comptroller.

(iii) An agreement under this paragraph shall provide for payment in full of the delinquent tax plus one-half of the interest due on or before December 31, 2010.

(iv) With respect to taxes that are subject to an agreement under this paragraph:

1. The waiver of civil penalties and interest provided under this section is void if the taxpayer fails to pay the full amount of taxes plus one-half of any interest strictly in accordance with the terms and schedule established in the agreement; and

2. The waiver provided under this section for one-half of the interest imposed with respect to delinquent taxes does not apply to interest accruing for periods after October 30, 2009, on amounts remaining unpaid after that date.

(3) (i) In this paragraph, “corporate group” means an affiliated group or controlled group of corporations under § 1504 or § 1563 of the Internal Revenue Code.

(ii) The amnesty program under this section does not apply to:

1. Any taxpayer that as of September 1, 2009, has more than 500 employees in the United States or is a member of a corporate group that has more than 500 employees in the United States;

2. Any taxpayer that was granted amnesty under the 2001 Maryland Tax Amnesty Program established under Chapter 275 of the Acts of the General Assembly of 2001, with respect to the taxes for which the taxpayer received amnesty under the 2001 Maryland Tax Amnesty Program; or

3. Any taxpayer eligible for the July 1, 2004, through November 1, 2004, Settlement Period, as provided in Chapter 557 of the Acts of 2004, which was applicable to the Maryland corporation income tax assessed by the Comptroller based on issues that were ruled on by the Maryland Court of Appeals in the decisions in the Comptroller of the Treasury v. SYL, Inc., and the Comptroller of the Treasury v. Crown Cork & Seal Company (Delaware), Inc., 375 Md. 78 (2003), whether or not the taxpayer participated in the Settlement Period.”;

in line 18, after “period” insert “or in accordance with an agreement entered into under subsection (a)(2) of this section”; strike beginning with “Act,” in line 18 down through “either:” in line 19 and substitute “Act:”

(i) During the amnesty period.”;

in lines 20 and 22, strike “(i)” and “(ii)”, respectively, and substitute “1.” and “2.”, respectively; and in line 23, strike “return.” and substitute “return; or”

(ii) With respect to delinquent tax due under a return filed during the amnesty period or under a previously filed return:

1. Enters into an agreement with the Comptroller under subsection (a)(2) of this section; and

2. Pays the full amount of taxes plus one-half of any interest strictly in accordance with the terms and schedule established in the agreement.”.

AMENDMENT NO. 3

On page 3, in line 5, strike “This” and substitute “Except as expressly provided in this section, this”; strike in their entirety lines 12 through 25, inclusive; and in line 26, strike “5.” and substitute “4.”.