

SENATE BILL 156

Q7

9lr1154

By: **Senator Frosh**

Introduced and read first time: January 19, 2009

Assigned to: Judicial Proceedings

Reassigned: Budget and Taxation, January 21, 2009

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 27, 2009

CHAPTER _____

1 AN ACT concerning

2 **Maryland Estate Tax – Filing of Returns**

3 FOR the purpose of requiring that a Maryland estate tax return be filed with the
4 Comptroller or the register of wills; requiring that an amended Maryland estate
5 tax return be filed with the Comptroller instead of with the register of wills;
6 altering a requirement that a register of wills certify to the Comptroller the
7 amount of inheritance tax paid for certain decedents under certain
8 circumstances; providing for the application of this Act; and generally relating
9 to the Maryland estate tax.

10 BY repealing and reenacting, with amendments,
11 Article – Tax – General
12 Section 7–232, 7–305, and 7–306
13 Annotated Code of Maryland
14 (2004 Replacement Volume and 2008 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article – Tax – General**

18 7–232.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike-out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Each register shall certify to the Comptroller the amount of inheritance tax paid
2 for each decedent for whom a Maryland estate tax return is filed with the register **OR**
3 **FOR WHOM THE REGISTER RECEIVES A REQUEST FOR THE CERTIFICATION**
4 **FROM:**

5 (1) **THE COMPTROLLER;**

6 (2) **THE PERSONAL REPRESENTATIVE OF THE DECEDENT'S**
7 **ESTATE; OR**

8 (3) **ANY PERSON REQUIRED TO FILE A MARYLAND ESTATE TAX**
9 **RETURN WITH REGARD TO PROPERTY PASSING FROM THE DECEDENT.**

10 7-305.

11 (a) If a federal estate tax return is required to be filed, the person
12 responsible for filing the federal estate tax return shall complete, under oath, and file
13 a Maryland estate tax return with the **COMPTROLLER OR THE** register 9 months
14 after the date of the death of a decedent.

15 (b) If a federal estate tax return is not required to be filed but a federal
16 estate tax return would be required to be filed if the applicable exclusion amount
17 under § 2010(c) of the Internal Revenue Code were no greater than \$1,000,000, the
18 person who would be responsible for filing the federal estate tax return shall complete,
19 under oath, and file a Maryland estate tax return with the **COMPTROLLER OR THE**
20 register 9 months after the date of the death of the decedent.

21 (c) (1) After a person files a Maryland estate tax return, the person shall
22 file an amended Maryland estate tax return with the [register] **COMPTROLLER** if the
23 Maryland estate tax liability is increased because of:

24 (i) a change in the federal gross estate, federal taxable estate,
25 federal estate tax, or other change as determined under the Internal Revenue Code;

26 (ii) after-discovered property;

27 (iii) a correction to the value of previously reported property;

28 (iv) a correction to the amount of previously claimed deductions;
29 or

30 (v) any other correction to a previously filed return.

31 (2) **(I)** The amended return shall be filed within 90 days after the
32 later to occur of the date of the event that caused the increase in the Maryland estate
33 tax liability or the date on which the person required to file an amended Maryland

1 estate tax return learned or reasonably should have learned of the increase in the
2 Maryland estate tax liability.

3 **(II) ON REQUEST, EACH REGISTER SHALL CERTIFY TO THE**
4 **COMPTRROLLER THE AMOUNT OF INHERITANCE TAX PAID FOR EACH DECEDENT**
5 **FOR WHOM AN AMENDED MARYLAND ESTATE TAX RETURN IS FILED WITH THE**
6 **COMPTRROLLER.**

7 7-306.

8 (a) Except as provided in § 7-307 of this subtitle, the person responsible for
9 filing the Maryland estate tax return under § 7-305 of this subtitle shall pay the
10 Maryland estate tax to the Comptroller no later than 9 months after the date of the
11 death of the decedent.

12 (b) An extension of time to file the Maryland estate tax return granted by the
13 Comptroller under § 7-305.1 of this subtitle does not extend the time for remitting the
14 Maryland estate tax.

15 (c) If an amended Maryland estate tax return is filed pursuant to § 7-305(c)
16 of this subtitle, the person responsible for filing the amended Maryland estate tax
17 return shall pay the additional Maryland estate tax developed on the amended
18 Maryland estate tax return to the Comptroller when the amended Maryland estate tax
19 return is filed with the [register] **COMPTRROLLER.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 2009, and shall be applicable to all decedents dying after December 31, 2008.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.