

SENATE BILL 160

Q3

0lr0747

By: **Senators Simonaire, Haines, Jacobs, Kittleman, Mooney, Reilly, and Stone**

Introduced and read first time: January 19, 2010

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Triple Tax Relief Act**

3 FOR the purpose of allowing a subtraction modification under the Maryland income
4 tax for an individual's federal income tax liability for the same taxable year for
5 which a Maryland return is filed; limiting the subtraction modification to a
6 certain amount for certain taxpayers for certain taxable years; providing for the
7 application of this Act; and generally relating to a subtraction modification for
8 the federal income tax liability of a taxpayer.

9 BY repealing and reenacting, without amendments,
10 Article – Tax – General
11 Section 10–208(a)
12 Annotated Code of Maryland
13 (2004 Replacement Volume and 2009 Supplement)

14 BY adding to
15 Article – Tax – General
16 Section 10–208(r)
17 Annotated Code of Maryland
18 (2004 Replacement Volume and 2009 Supplement)

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

21 **Article – Tax – General**

22 10–208.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In addition to the modification under § 10–207 of this subtitle, the
2 amounts under this section are subtracted from the federal adjusted gross income of a
3 resident to determine Maryland adjusted gross income.

4 (R) (1) IN THIS SUBSECTION, “FEDERAL INCOME TAX LIABILITY”
5 MEANS INCOME TAX LIABILITY UNDER CHAPTER 1 OF THE INTERNAL REVENUE
6 CODE FOR THE SAME TAXABLE YEAR FOR WHICH A MARYLAND RETURN IS
7 BEING FILED, DETERMINED AFTER REDUCTION FOR ALL CREDITS TAKEN
8 EXCEPT:

9 (I) THE CREDIT FOR PAYMENTS OF FEDERAL ESTIMATED
10 TAX;

11 (II) THE CREDIT FOR THE OVERPAYMENT OF ANY FEDERAL
12 TAX; AND

13 (III) THE CREDITS ALLOWED UNDER §§ 31, 27, AND 34 OF
14 THE INTERNAL REVENUE CODE.

15 (2) SUBJECT TO PARAGRAPHS (3) AND (4) OF THIS SUBSECTION,
16 THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES AN
17 INDIVIDUAL’S FEDERAL INCOME TAX LIABILITY.

18 (3) FOR AN INDIVIDUAL OTHER THAN ONE DESCRIBED IN
19 PARAGRAPH (4) OF THIS SUBSECTION, THE SUBTRACTION UNDER PARAGRAPH
20 (2) OF THIS SUBSECTION MAY NOT EXCEED:

21 (I) \$500 FOR A TAXABLE YEAR BEGINNING AFTER
22 DECEMBER 31, 2009, BUT BEFORE JANUARY 1, 2011;

23 (II) \$1,500 FOR A TAXABLE YEAR BEGINNING AFTER
24 DECEMBER 31, 2010, BUT BEFORE JANUARY 1, 2012; AND

25 (III) \$3,000 FOR A TAXABLE YEAR BEGINNING AFTER
26 DECEMBER 31, 2011.

27 (4) FOR A MARRIED COUPLE FILING A JOINT RETURN, OR FOR A
28 SURVIVING SPOUSE OR HEAD OF HOUSEHOLD AS DEFINED IN § 2 OF THE
29 INTERNAL REVENUE CODE, THE SUBTRACTION UNDER PARAGRAPH (2) OF THIS
30 SUBSECTION MAY NOT EXCEED:

31 (I) \$1,000 FOR A TAXABLE YEAR BEGINNING AFTER
32 DECEMBER 31, 2009, BUT BEFORE JANUARY 1, 2011;

1 **(II) \$3,000 FOR A TAXABLE YEAR BEGINNING AFTER**
2 **DECEMBER 31, 2010, BUT BEFORE JANUARY 1, 2012; AND**

3 **(III) \$6,000 FOR A TAXABLE YEAR BEGINNING AFTER**
4 **DECEMBER 31, 2011.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2010, and shall be applicable to all taxable years beginning after December 31,
7 2009.