

SENATE BILL 11

Q3

3lr3540

By: **Senators Pipkin and Kittleman**

Introduced and read first time: August 9, 2012

Assigned to: Rules

A BILL ENTITLED

1 AN ACT concerning

2 **Corporate Income Tax – Rate Reduction**

3 FOR the purpose of altering the State income tax rate on the Maryland taxable income
4 of corporations; providing for the application of this Act; and generally relating
5 to the Maryland corporate income tax.

6 BY repealing and reenacting, with amendments,
7 Article – Tax – General
8 Section 10–105(b)
9 Annotated Code of Maryland
10 (2010 Replacement Volume and 2011 Supplement)

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

13 **Article – Tax – General**

14 10–105.

15 (b) The State income tax rate for a corporation [is 8.25% of Maryland taxable
16 income] IS:

17 (I) 4% OF MARYLAND TAXABLE INCOME OF \$1 THROUGH
18 \$1,500,000; AND

19 (II) 7.25% OF MARYLAND TAXABLE INCOME IN EXCESS OF
20 \$1,500,000.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
2 July 1, 2013, and shall be applicable to all taxable years beginning after December 31,
3 2012.