

Chapter 18

(Senate Bill 178)

AN ACT concerning

Estate Tax – Alternative Payment Schedule – Penalty Prohibition

FOR the purpose of prohibiting a certain penalty for late payment of the Maryland estate tax if a certain alternative payment schedule is allowed by the Comptroller and the tax is paid in accordance with the alternative payment schedule; providing for the application of this Act; and generally relating to alternative payment schedules for the payment of the Maryland estate tax.

BY repealing and reenacting, with amendments,
 Article – Tax – General
 Section 7–307
 Annotated Code of Maryland
 (2010 Replacement Volume and 2014 Supplement)

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

Article – Tax – General

7–307.

(a) On application of the person responsible for paying the Maryland estate tax and subject to § 13–601 of this article, the Comptroller may allow an alternative payment schedule for the Maryland estate tax, notwithstanding any payment extension under § 6166 of the Internal Revenue Code.

(b) The payment schedule may be in the form of:

- (1) a payment deferral; or
- (2) an installment payment plan.

(c) (1) For each alternative payment schedule allowed under subsection (a) of this section, the Comptroller shall specify the procedures and guidelines, including:

- (i) conditions of eligibility; and
- (ii) 1. amount and duration of any payment deferral; or
2. amount of and scheduled time for any installment

payments.

(2) If the Comptroller denies an application for an alternative payment schedule, the Comptroller shall mail a notice of the denial to the applicant.

(d) (1) If an alternative payment schedule is allowed under subsection (a) of this section, the person responsible for filing the Maryland estate tax return under § 7-305 of this subtitle shall pay the tax in accordance with the schedule.

(2) IF THE MARYLAND ESTATE TAX IS PAID IN ACCORDANCE WITH AN ALTERNATIVE PAYMENT SCHEDULE ALLOWED UNDER SUBSECTION (A) OF THIS SECTION, A PENALTY FOR THE LATE PAYMENT OF THE TAX MAY NOT BE ASSESSED UNDER § 13-701 OF THIS ARTICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be applicable to an estate that:

(1) applies for an alternative payment schedule for the payment of the Maryland estate tax on or after July 1, 2015; and

(2) receives approval by the Comptroller to pay the Maryland estate tax in accordance with an alternative payment schedule.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2015.

Approved by the Governor, April 14, 2015.