

# HOUSE BILL 590

Q3

5lr2096

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By: **Delegates McKay, Beitzel, Buckel, Parrott, and B. Wilson**

Introduced and read first time: February 12, 2015

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Corporate Income Tax – Rate Reduction – Allegany County and Washington**  
3 **County**

4 FOR the purpose of altering the State income tax rate on the Maryland taxable income of  
5 corporations with headquarters and base of operations in Allegany County or  
6 Washington County; providing for the application of this Act; providing for the  
7 termination of this Act; and generally relating to the Maryland corporate income tax.

8 BY repealing and reenacting, with amendments,

9 Article – Tax – General

10 Section 10–105(b)

11 Annotated Code of Maryland

12 (2010 Replacement Volume and 2014 Supplement)

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

15 **Article – Tax – General**

16 10–105.

17 (b) (1) [The] **EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**  
18 **SUBSECTION, THE** State income tax rate for a corporation is 8.25% of Maryland taxable  
19 income.

20 (2) **FOR A CORPORATION WITH ITS HEADQUARTERS AND BASE OF**  
21 **OPERATIONS IN ALLEGANY COUNTY OR WASHINGTON COUNTY, THE STATE INCOME**  
22 **TAX RATE FOR A CORPORATION IS 4% OF THE MARYLAND TAXABLE INCOME.**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



**HOUSE BILL 590**

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
2 1, 2015, and shall be applicable to all taxable years beginning after December 31, 2014, but  
3 before January 1, 2023. This Act shall remain effective for a period of 8 years and, at the  
4 end of June 30, 2023, with no further action required by the General Assembly, this Act  
5 shall be abrogated and of no further force and effect.