

# HOUSE BILL 818

Q3

8lr1915

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By: **Delegates West, Arentz, Beitzel, Buckel, Clark, Cluster, Jacobs, Krebs, Long, McComas, and Vogt**

Introduced and read first time: February 2, 2018

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Corporate Income Tax – Rate Reduction**

3 FOR the purpose of reducing the State income tax rate on the Maryland taxable income of  
4 corporations by a certain amount each year for a certain number of years; and  
5 generally relating 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 (2016 Replacement Volume and 2017 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
12 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] **CORPORATION’S MARYLAND TAXABLE INCOME IS:**

17 **(1) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2017,**  
18 **BUT BEFORE JANUARY 1, 2019, 8.25%;**

19 **(2) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2018,**  
20 **BUT BEFORE JANUARY 1, 2020, 8.00%;**

21 **(3) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2019,**  
22 **BUT BEFORE JANUARY 1, 2021, 7.75%;**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1           **(4) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2020,**  
2 **BUT BEFORE JANUARY 1, 2022, 7.50%;**

3           **(5) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2021,**  
4 **BUT BEFORE JANUARY 1, 2023, 7.25%;**

5           **(6) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2022,**  
6 **BUT BEFORE JANUARY 1, 2024, 7.00%;**

7           **(7) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2023,**  
8 **BUT BEFORE JANUARY 1, 2025, 6.75%;**

9           **(8) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2024,**  
10 **BUT BEFORE JANUARY 1, 2026, 6.50%;**

11           **(9) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2025,**  
12 **BUT BEFORE JANUARY 1, 2027, 6.25%; AND**

13           **(10) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2026,**  
14 **6.00%.**

15           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
16 1, 2018.