

# SENATE BILL 977

Q3

9lr2997

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By: **Senator Serafini**

Introduced and read first time: February 18, 2019

Assigned to: Rules

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## A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax Rates – Reduction**

3 FOR the purpose of altering the State income tax rate imposed on certain income of  
4 individuals; providing for the application of this Act; and generally relating to the  
5 State income tax rates imposed on income of individuals.

6 BY repealing and reenacting, with amendments,  
7 Article – Tax – General  
8 Section 10–105(a)  
9 Annotated Code of Maryland  
10 (2016 Replacement Volume and 2018 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 (a) (1) For an individual other than an individual described in paragraph (2)  
16 of this subsection, the State income tax rate is:

- 17 (i) 2% of Maryland taxable income of \$1 through \$1,000;
- 18 (ii) 3% of Maryland taxable income of \$1,001 through \$2,000;
- 19 (iii) 4% of Maryland taxable income of \$2,001 through \$3,000;
- 20 (iv) 4.75% of Maryland taxable income of \$3,001 through \$100,000;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (v) 5% of Maryland taxable income of \$100,001 through \$125,000;  
2 **AND**

3 (vi) 5.25% of Maryland taxable income [of \$125,001 through  
4 \$150,000;

5 (vii) 5.5% of Maryland taxable income of \$150,001 through \$250,000;  
6 **and**

7 (viii) 5.75% of Maryland taxable income in excess of \$250,000] **IN**  
8 **EXCESS OF \$125,000.**

9 (2) For spouses filing a joint return or for a surviving spouse or head of  
10 household as defined in § 2 of the Internal Revenue Code, the State income tax rate is:

11 (i) 2% of Maryland taxable income of \$1 through \$1,000;

12 (ii) 3% of Maryland taxable income of \$1,001 through \$2,000;

13 (iii) 4% of Maryland taxable income of \$2,001 through \$3,000;

14 (iv) 4.75% of Maryland taxable income of \$3,001 through \$150,000;

15 (v) 5% of Maryland taxable income of \$150,001 through \$175,000;  
16 **AND**

17 (vi) 5.25% of Maryland taxable income [of \$175,001 through  
18 \$225,000;

19 (vii) 5.5% of Maryland taxable income of \$225,001 through \$300,000;  
20 **and**

21 (viii) 5.75% of Maryland taxable income in excess of \$300,000] **IN**  
22 **EXCESS OF \$175,000.**

23 **SECTION 2. AND BE IT FURTHER ENACTED,** That this Act shall take effect July  
24 1, 2019, and shall be applicable to all taxable years beginning after December 31, 2018.