

# SENATE BILL 836

Q3  
SB 923/24 – B&T

5lr3293  
CF 5lr0821

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By: **Senators Mautz, Bailey, Carozza, Jennings, and Ready**  
Introduced and read first time: January 28, 2025  
Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Corporate Income Tax – Rate Reduction**  
3 **(Economic Competitiveness Act of 2025)**

4 FOR the purpose of altering, over a certain period of years, the State income tax rate on  
5 the Maryland taxable income of corporations; and generally relating to the Maryland  
6 corporate income tax.

7 BY repealing and reenacting, with amendments,  
8 Article – Tax – General  
9 Section 10–105(b)  
10 Annotated Code of Maryland  
11 (2022 Replacement Volume and 2024 Supplement)

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

14 **Article – Tax – General**

15 10–105.

16 (b) The State income tax rate for a [corporation is 8.25% of Maryland taxable  
17 income] **CORPORATION’S MARYLAND TAXABLE INCOME IS:**

18 **(1) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2024,**  
19 **BUT BEFORE JANUARY 1, 2026, 8.25%;**

20 **(2) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2025,**  
21 **BUT BEFORE JANUARY 1, 2027, 7.75%;**

22 **(3) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2026,**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.  
[Brackets] indicate matter deleted from existing law.



1 **BUT BEFORE JANUARY 1, 2028, 7.25%;**

2 **(4) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2027,**  
3 **BUT BEFORE JANUARY 1, 2029, 6.75%; AND**

4 **(5) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2028,**  
5 **6.25%.**

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
7 1, 2025.