

HOUSE BILL 729

Q3

9lr2573
CF SB 591

By: **Delegate Buckel**

Introduced and read first time: February 8, 2019

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Qualified Business Income**

3 FOR the purpose of providing a subtraction modification under the Maryland income tax
4 for the amount of qualified business income deducted under the federal income tax;
5 providing for the continuation of the subtraction modification if a certain deduction
6 under the federal income tax is repealed or terminates; providing for the application
7 of this Act; and generally relating to a subtraction modification under the Maryland
8 income tax for qualified business income.

9 BY repealing and reenacting, without amendments,
10 Article – Tax – General
11 Section 10–207(a)
12 Annotated Code of Maryland
13 (2016 Replacement Volume and 2018 Supplement)

14 BY adding to
15 Article – Tax – General
16 Section 10–207(hh)
17 Annotated Code of Maryland
18 (2016 Replacement Volume and 2018 Supplement)

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

21 **Article – Tax – General**

22 10–207.

23 (a) To the extent included in federal adjusted gross income, the amounts under
24 this section are subtracted from the federal adjusted gross income of a resident to determine
25 Maryland adjusted gross income.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(HH) (1) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION**
2 **INCLUDES THE AMOUNT DEDUCTED UNDER § 199A OF THE INTERNAL REVENUE**
3 **CODE FOR THE QUALIFIED BUSINESS INCOME OF THE INDIVIDUAL.**

4 **(2) IF THE PROVISIONS OF § 199A OF THE INTERNAL REVENUE CODE**
5 **ALLOWING A DEDUCTION FOR QUALIFIED BUSINESS INCOME ARE REPEALED OR**
6 **TERMINATE, THE PROVISIONS OF THIS SUBSECTION CONTINUE TO OPERATE AS IF**
7 **THE PROVISIONS OF § 199A REMAIN IN EFFECT.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2019, and shall be applicable to all taxable years beginning after December 31, 2018.