

HOUSE BILL 741

Q3
HB 869/20 – W&M

3lr1692

By: **Delegates Hartman, Adams, Anderton, Arentz, Baker, Buckel, Chisholm, Ciliberti, Ghrist, Grammer, Griffith, Hinebaugh, Hornberger, Howard, Hutchinson, Jacobs, Kipke, R. Long, Mangione, McComas, Metzgar, Miller, T. Morgan, Munoz, Otto, Pippy, Reilly, Rose, Schmidt, Stonko, Tomlinson, Valentine, and Wivell**

Introduced and read first time: February 8, 2023

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Corporate Income Tax – Rate Reduction**
3 **(Economic Competitiveness Act of 2023)**

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)

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, 2022,**
19 **BUT BEFORE JANUARY 1, 2024, 8.25%;**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2023,**
2 **BUT BEFORE JANUARY 1, 2025, 7.75%;**

3 **(3) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2024,**
4 **BUT BEFORE JANUARY 1, 2026, 7.25%;**

5 **(4) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2025,**
6 **BUT BEFORE JANUARY 1, 2027, 6.75%; AND**

7 **(5) FOR A TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 2026,**
8 **6.25%.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
10 1, 2023.