

HOUSE BILL 181

Q3

2lr0483

By: **Delegate Summers**

Introduced and read first time: January 25, 2012

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Income Tax – Subtraction Modification – Overtime Compensation**

3 FOR the purpose of providing a subtraction modification under the Maryland income
4 tax for a certain amount of income received as overtime compensation required
5 by the federal Fair Labor Standards Act of 1938; providing for the application
6 and termination of this Act; and generally relating to a subtraction modification
7 under the Maryland income tax for certain income received as overtime
8 compensation.

9 BY repealing and reenacting, without amendments,
10 Article – Tax – General
11 Section 10–207(a)
12 Annotated Code of Maryland
13 (2010 Replacement Volume and 2011 Supplement)

14 BY adding to
15 Article – Tax – General
16 Section 10–207(y)
17 Annotated Code of Maryland
18 (2010 Replacement Volume and 2011 Supplement)

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
20 MARYLAND, 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
24 under this section are subtracted from the federal adjusted gross income of a resident
25 to determine Maryland adjusted gross income.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(Y) THE SUBTRACTION UNDER SUBSECTION (A) OF THIS SECTION**
2 **INCLUDES THE FIRST \$5,000 OF INCOME RECEIVED AS OVERTIME**
3 **COMPENSATION REQUIRED BY THE FEDERAL FAIR LABOR STANDARDS ACT OF**
4 **1938.**

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2012, and shall be applicable to all taxable years beginning after December 31,
7 2011 but before January 1, 2022. It shall remain effective for a period of 10 years and,
8 at the end of June 30, 2022, with no further action required by the General Assembly,
9 this Act shall be abrogated and of no further force and effect.