

than this State and its political subdivisions and authorities); (2) salaries and wages and interest or dividends on obligations of any authority, commission, instrumentality, territory or possession of the United States or of any foreign government, which by the laws or treaties of the United States are exempt from federal income tax but not from State income taxes; (3) dividends received by individuals excluded from federal adjusted gross income pursuant to Section 116 of the Internal Revenue Code; (4) distributions of corporate prior years' earnings not previously taxed in Maryland to individuals and current year losses of corporations claimed for the taxable year by individuals, resulting from an election of a small business corporation, as defined by Section 1371 of the Internal Revenue Code as amended from time to time, to be taxed in accordance with the provisions of subchapter "S" of the Internal Revenue Code; [and] (5) for all taxable years beginning after December 31, 1974, 50 percent of the sum of the items of tax preference as determined under the provisions of Section 280B of this subtitle; AND (6) FOR ALL TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1975, THE OIL PERCENTAGE DEPLETION ALLOWANCE AS CLAIMED AND ALLOWED UNDER SECTION 613 OF THE INTERNAL REVENUE CODE, AS AMENDED FROM TIME TO TIME.

280B.

(a) For purposes of this subtitle, items of tax preference are [those items of tax preference as] determined and defined in Sections 57 and 58 of the Internal Revenue Code, as amended from time to time, EXCLUDING THE OIL PERCENTAGE DEPLETION ALLOWANCE AS CLAIMED AND ALLOWED UNDER SECTION 613 OF THE INTERNAL REVENUE CODE, AS AMENDED FROM TIME TO TIME, the sum total of which is in excess of [:(1)] \$30,000 as specified and apportioned under the provisions of Sections 57 and 58, respectively, of the Internal Revenue Code, as amended from time to time.

SECTION 2. AND BE IT FURTHER ENACTED, That the provisions of this Act are applicable to all taxable years of individual taxpayers beginning after December 31, 1975.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1976.

Approved May 17, 1976.