

(House Bill 220)

AN ACT concerning

Maryland Estate Tax

FOR the purpose of providing that the amount of the Maryland estate tax is limited to the amount by which its timely payment under federal law effects a savings or diminution of the federal estate tax payable by or out of the Maryland estate; specifying that failure of the estate's representative to take and preserve the maximum, allowable State death tax credit does not affect the amount of the Maryland estate tax; and specifying that these provisions apply to all estates in which the maximum State death tax credit may still be taken and preserved.

BY repealing and reenacting, with amendments,

Article 62A - Maryland Estate Tax  
Section 2  
Annotated Code of Maryland  
(1972 Replacement Volume and 1977 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 62A - Maryland Estate Tax

2.

In addition to the tax and/or taxes imposed by Article 81, a "Maryland estate tax" is hereby imposed upon the transfer of the "Maryland estate" of every "decedent," the amount of which "Maryland estate tax" shall be equal to the extent, if any, of the excess of the "credit" over the aggregate of "State taxes" paid by or out of the "Maryland estate" of the "decedent" or any part thereof, provided, however, that such "Maryland estate tax" hereby imposed shall in no case exceed the extent to which its TIMELY payment [will] IN ACCORDANCE WITH FEDERAL LAW WOULD effect a saving or diminution in the amount of the "federal estate tax" payable by or out of the "Maryland estate" of the "decedent" had this article not been enacted and provided further that "State taxes" will be considered "paid" only when and as payment or payments thereof have been made and received by the appropriate agency or official of the State of Maryland. THE AMOUNT OF THE MARYLAND ESTATE TAX PAYABLE UNDER THIS SECTION IS NOT ALTERED, DIMINISHED, OR AFFECTED IN ANY WAY BY THE FAILURE OF AN ESTATE'S REPRESENTATIVE TO PROPERLY TAKE AND PRESERVE THE MAXIMUM STATE DEATH TAX CREDIT ALLOWABLE UNDER FEDERAL LAW.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act