1 2	(i) 50% of the earned income credit allowable for the taxable year under § 32 of the Internal Revenue Code; or
3	(ii) the State income tax for the taxable year.
4 5	(2) (I) An individual may claim a refund in the amount, if any, by which [25%] THE APPLICABLE PERCENTAGE SPECIFIED IN SUBPARAGRAPH (II)
6	OF THIS PARAGRAPH of the earned income credit allowable for the taxable year
7	under § 32 of the Internal Revenue Code exceeds the State income tax for the taxable
8	<u>year.</u>
9 10	(II) THE APPLICABLE PERCENTAGE OF THE EARNED INCOME CREDIT ALLOWABLE UNDER § 32 OF THE INTERNAL REVENUE CODE TO
11	BE USED FOR PURPOSES OF DETERMINING THE REFUND PROVIDED UNDER THIS
12	PARAGRAPH IS:
13	1. 26% FOR A TAXABLE YEAR BEGINNING AFTER
14	DECEMBER 31, 2011, BUT BEFORE JANUARY 1, 2013;
15	2. 27% FOR A TAXABLE YEAR BEGINNING AFTER
16	DECEMBER 31, 2012, BUT BEFORE JANUARY 1, 2014;
17	3. 28% FOR A TAXABLE YEAR BEGINNING AFTER
18	DECEMBER 31, 2013, BUT BEFORE JANUARY 1, 2015;
19	4. 29% FOR A TAXABLE YEAR BEGINNING AFTER
20	DECEMBER 31, 2014, BUT BEFORE JANUARY 1, 2016; AND
21	5. 30% FOR A TAXABLE YEAR BEGINNING AFTER
22	DECEMBER 31, 2015.
23 24	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:
25)	Article - Tax - General
<mark>26</mark>	<u>11–701.</u>)
27	(b) (1) "Engage in the business of an out-of-state vendor" means to sell or
28	deliver tangible personal property or a taxable service for use in the State.
<mark>29</mark>	(2) "Engage in the business of an out-of-state vendor" includes:
30	(i) permanently or temporarily maintaining, occupying, or
3U 21	(i) permanently or temporarily maintaining, occupying, or

- 1 place for the sale of tangible personal property or a taxable service directly or
- 2 indirectly through an agent or subsidiary;
- (ii) having an agent, canvasser, representative, salesman,
- 4 INDEPENDENT CONTRACTOR, or solicitor operating in the State for the purpose of
- 6 delivering, selling, or taking orders for tangible personal property or a taxable service;
- 6 or
- (iii) entering the State on a regular basis to provide service or
- 8 repair for tangible personal property.
- 9 11-701.1.
- (A) IN THIS SECTION, "SELLER" MEANS A PERSON MAKING SALES OF
- 11 TANGIBLE PERSONAL PROPERTY OR A TAXABLE SERVICE.
- (B) FOR PURPOSES OF § 11–701(B)(2)(II) OF THIS SUBTITLE, A SELLER
- 13 SHALL BE PRESUMED TO HAVE AN AGENT, CANVASSER, REPRESENTATIVE,
- 14 SALESMAN, INDEPENDENT CONTRACTOR, OR SOLICITOR OPERATING IN THE
- 15 STATE FOR THE PURPOSE OF SELLING OR TAKING ORDERS FOR TANGIBLE
- 16 PERSONAL PROPERTY OR A TAXABLE SERVICE IF:
- (1) THE SELLER ENTERS INTO AN AGREEMENT WITH A RESIDENT
- 18 OF THE STATE UNDER WHICH THE RESIDENT, FOR A COMMISSION OR OTHER
- 19 CONSIDERATION, DIRECTLY OR INDIRECTLY REFERS POTENTIAL CUSTOMERS
- 20 TO THE SELLER, WHETHER BY A LINK ON AN INTERNET WEB SITE, OR
- 21 OTHERWISE; AND
- (2) THE CUMULATIVE GROSS RECEIPTS FROM SALES BY THE
- 23 SELLER TO CUSTOMERS IN THE STATE WHO ARE REFERRED TO THE SELLER BY
- 24 ALL RESIDENTS HAVING AN AGREEMENT WITH THE SELLER AS DESCRIBED IN
- 25 ITEM (1) OF THIS SUBSECTION IS GREATER THAN \$10,000 DURING THE
- 26 PRECEDING FOUR QUARTERLY PERIODS ENDING ON THE LAST DAY OF
- FEBRUARY, MAY, AUGUST, AND NOVEMBER.
- (C) THE PRESUMPTION UNDER THIS SECTION MAY BE REBUTTED BY
- 29 PROOF THAT THE RESIDENT WITH WHOM THE SELLER HAS AN AGREEMENT AS
- 30 DESCRIBED IN SUBSECTION (B)(1) OF THIS SECTION DID NOT ENGAGE IN ANY
- 31 SOLICITATION IN THE STATE ON BEHALF OF THE SELLER THAT WOULD SATISFY
- 32 THE NEXUS REQUIREMENT OF THE UNITED STATES CONSTITUTION DURING
- 33 THE FOUR QUARTERLY PERIODS IN QUESTION.
- (D) THIS SECTION MAY NOT BE CONSTRUED TO NARROW THE SCOPE OF
- 35 THE TERMS "AGENT", "CANVASSER", "REPRESENTATIVE", "SALESMAN",
- 36 "INDEPENDENT CONTRACTOR", AND "SOLICITOR" FOR PURPOSES OF §

31

1 2	11-701(B)(2)(II) OF THIS SUBTITLE OR FOR PURPOSES OF ANY OTHER PROVISION OF LAW.
3	<u>12–105.</u>
4	(b) (1) [The] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS
5	SUBSECTION, THE tobacco tax rate for other tobacco products is [15%] 20% of the
6	wholesale price of the tobacco products.
7	(2) (I) IN THIS PARAGRAPH, "PREMIUM CIGARS" HAS THE
8	MEANING STATED IN § 16.5–101 OF THE BUSINESS REGULATION ARTICLE.
0	MEANING STATED IN § 10.9-101 OF THE BUSINESS REGULATION ARTICLE.
9	(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS
0	PARAGRAPH, THE TOBACCO TAX RATE FOR CIGARS IS 70% OF THE WHOLESALE
1	PRICE OF THE CIGARS.
10	(III) THE TOBACCO TAX RATE FOR PREMIUM CIGARS IS 20%
12	
13	OF THE WHOLESALE PRICE OF THE PREMIUM CIGARS.
4	SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland
15	read as follows:
16	Article - Tax - Property
L 7	12–105.
L /	<u>12–100.</u>
18	(f) (7) (I) IN THIS PARAGRAPH, "INDEMNITY MORTGAGE"
19	INCLUDES ANY MORTGAGE, DEED OF TRUST, OR OTHER SECURITY INTEREST IN
20	REAL PROPERTY THAT SECURES A GUARANTEE OF REPAYMENT OF A LOAN FOR
21	WHICH THE GUARANTOR IS NOT PRIMARILY LIABLE.
4 1	WINGIT THE GOTHWINTON IS NOT I WINNING EMBELS.
22	(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS
23	PARAGRAPH:
24	1. SECURED DEBT WITH RESPECT TO AN INDEMNITY
25	MORTGAGE IS DEEMED TO BE INCURRED FOR PURPOSES OF THIS SUBSECTION
26	WHEN AND TO THE SAME EXTENT AS DEBT IS INCURRED ON THE GUARANTEED
27	LOAN; AND
28	2. THE RECORDATION TAX APPLIES UNDER THIS
29	SUBSECTION IN THE SAME MANNER AS IF THE GUARANTOR WERE PRIMARILY
30	LIABLE FOR THE GUARANTEED LOAN.

(III) THIS PARAGRAPH DOES NOT APPLY: