

VETOES

TITLES AND MESSAGES

Senate Bill No. 58—Manufacturers' Tax Exemption

AN ACT to repeal and re-enact, with amendments, Sub-sections (23) and (24) of Section 8 of Article 81 of the Annotated Code of Maryland (1956 Supplement), title "Revenue and Taxes", sub-title "What Shall Be Taxed and Where", providing that when any county or municipality, other than the City of Baltimore, has granted a tax exemption or partial tax exemption on certain tools, implements, machinery, manufacturing apparatus or engines, raw materials and manufactured products, the tax exemption shall not be rescinded or modified without the consent of the General Assembly.

April 15, 1957.

The Hon. Louis L. Goldstein
President of the Senate of Maryland
The State House
Annapolis, Maryland

Dear Senator Goldstein:

I am returning unsigned Senate Bill No. 58 of the 1957 Session of the Maryland General Assembly.

This bill is designed to deny to Counties and Municipalities, with the exception of Baltimore City, the direct right to rescind or modify tax exemptions or partial exemptions previously granted on manufacturing tools and machinery.

It would require each such County and Municipality to first obtain from the General Assembly the right, by special statute, to so rescind or modify.

While I look with favor on the practice allowing such tax exemptions as an inducement to the location and retaining of industrial establishments, I cannot approve the restriction which this Bill would impose on political subdivisions in regard to their own tax bases.

We must bear in mind that real estate and property taxes are and long will continue to be the primary sources of County and Municipal revenues.

We must keep before us the fact that the problems of balancing County and Municipal budgets and meeting County and Municipal needs are the problems of County and Municipal officials—not those of the General Assembly or the State Administration.

We must assume that the fiscal officials of these civil divisions are responsible men and women, capable of weighing requirements against anticipated revenues in any given year, of judging what must be appropriated to support essential services and what legal exemptions can be retained or eliminated.