you have in mind is the fact the board of public works in the past has set the tax rate. It has done this in this way. The General Assembly itself, when it authorizes a bond issue imposes a tax. Each of the bond bills which are enacted, usually in the last clause, say a tax is hereby imposed in rates and amounts sufficient to pay the indebtedness hereby authorized and the interest thereon until maturity—so that the legislature is imposing the tax, and delegating the power to the board to set the rate. This would not be changed under this.

THE CHAIRMAN: Delegate Maurer.

DELEGATE MAURER: If there is a distinction between imposing a tax and setting the rate, could it then be that say, county commissioners would impose a local property tax but authorize or delegate to an appointed school board the power to set a portion of that tax rate?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: This particular provision does not change in any way as I read it the law we have today on this point. It keeps it just where it is.

THE CHAIRMAN: Delegate Clagett.

DELEGATE CLAGETT: Delegate Case, with reference to section 8.02 and 8.02-2, where you deal with classification, what do you mean by classification by events or classification of events?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: Delegate Clagett, there are three generic incidents of taxation. One is property. That is to say the real or personal property or chose in action or any other kind of property both tangible or intangible, that you care to mention. This can be taxed, it can be levied upon. There is the common case.

The second generic instance is the taxpayer. Here you could deal with the poll tax, for example, which of course is not allowed as a prerequisite to voting, but we have seen direct capitation taxes in other states, never in Maryland, to my knowledge, but the taxpayers are an integral part of the trilogy.

The third part and perhaps the most important part is the events. This is the interaction between the taxpayer and the property. That is to say, the receipt of money, the earning of income, transmission of property by death, and so forth. This is an event, and called a taxable event. This is what it means, so that it covers the entire spectrum of human activity vis-a-vis his property and his environment, which conceivably could be subject to taxation.

THE CHAIRMAN: Delegate Clagett.

DELEGATE CLAGETT: In other words, it is the relationship between the taxpayer and his property which would be determinative of the tax?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: It could be but it would not necessarily have to be.

THE CHAIRMAN: Delegate Clagett.

DELEGATE CASE: Let me give you an example of "event." A man dies and leaves you a million dollars. I hope this happens. The act of transmitting the property from the dead to the living is an event. In Maryland we have right now what is known as an inheritance tax, which you know. The inheritance tax is based upon your receiving that property.

The instance of taxation, the event is the receipt by you of the million dollars from the decedent. On the other hand, the federal government imposes an estate tax. This is a tax on the estate vel non, not a tax on the act of transmission, but on the tax of the estate as it was found on the date of the decedent's death, or one year thereafter.

It would be a tax on the property; both would be death taxes, but one would tax the property, the other would tax the event.

THE CHAIRMAN: Delegate Clagett.

DELEGATE CLAGETT: In what way would this be determinative in the determination by the General Assembly of the bona fide use of farm land?

THE CHAIRMAN: Delegate Case.

DELEGATE CASE: I am not sure I understand that, Delegate Clagett.

DELEGATE CLAGETT: As I understand 8.02, the agricultural use—

THE CHAIRMAN: Could the Chair cut across this?

DELEGATE CLAGETT: Yes.

THE CHAIRMAN: I think Delegate Case, what he is asking is in what way would you relate agricultural use and exemption for agricultural use to the trilogy you just mentioned?