

Revenue Source	Amount	Percent of Total	Increase (Decrease) Over 1981 Actual	
			Amount	Percent
Income taxes	\$1,452,355	31.7%	\$ 88,446	6.5 %
Retail sales and use taxes	797,397	17.4	43,723	5.8
Motor vehicle taxes and fees	436,633	9.6	19,331	4.6
Other taxes	510,021	11.2	31,800	6.6
Other licenses and fees	49,426	1.1	10,963	28.5
Charges for services	193,157	4.2	18,171	10.4
Interest and other investment income	124,999	2.7	9,641	8.4
Other	80,872	1.8	(26,645)	(24.8)
Federal revenue	926,124	20.3	(99,724)	(9.7)
Total	<u>\$4,570,984</u>	<u>100.0%</u>	<u>\$ 95,706</u>	<u>2.1 %</u>

Of the total income tax revenue for fiscal year 1982, \$1,322,762,000 was produced by the individual income tax and \$129,593,000 by the corporate income tax, representing an increase of \$97,768,000 and a decline of \$9,322,000, respectively, over the prior year. The increase in individual income tax revenues of 8.0 percent over the prior year is attributable to population growth and a higher personal income level for the State's taxpayers. The decrease in the corporate income tax revenues of 6.7 percent from the prior year is attributable to the current recessionary times for businesses, as well as federal tax cuts which also affect the State's tax revenues.

Other revenues decreased \$26,645,000 or 24.8 percent from 1981. This decrease is due in part to the reclassification of the Maryland Higher Education Loan Corporation from the General Fund to the Enterprise Funds and is also due to minor reclassifications of other revenue to other licenses and fees.

Federal revenues decreased \$99,724,000 or 9.7 percent from the prior year. This decline reflected reductions in federal reimbursements for state transportation, human resources and other federal programs.

Changes in levels of expenditures (amounts expressed in thousands) for major functions from the previous year are shown in the following tabulation:

Function	Amount	Percent of Total	Increase (Decrease) Over 1981 Actual	
			Amount	Percent
Current:				
General government	\$ 205,972	4.5%	\$ 8,063	4.1 %
Education	934,163	20.5	42,202	4.7
Human resources	465,299	10.2	(44,945)	(8.8)
Health and mental hygiene	896,743	19.7	36,457	4.2
Transportation	666,070	14.6	10,746	1.6
Public safety and judicial	286,223	6.3	15,844	5.9
Economic and community development	17,238	.4	(1,226)	(6.6)
Natural resources and recreation	53,974	1.2	(2,264)	4.0
Agriculture	16,662	.4	3,430	25.9
Personnel and retirement	334,725	7.4	833	.2
Intergovernmental	266,165	5.8	(46,460)	(14.9)
Debt service	411,313	9.0	95,445	30.2
Total	<u>\$4,554,547</u>	<u>100.0%</u>	<u>\$118,125</u>	<u>2.7 %</u>

Expenditures for human resources decreased \$44,945,000 or 8.8 percent from 1981. This decrease reflected the federal government's budget cuts for welfare services.

Expenditures for agriculture increased \$3,430,000 or 25.9 percent over 1981. The increase was primarily attributable to an acceleration in the agricultural land preservation program which was started in 1981.

Expenditures for intergovernmental functions decreased \$46,460,000 or 14.9 percent from 1981. A decrease in capital spending for local transportation projects is reflected in this drop.

Debt service expenditures increased \$95,445,000 or 30.2 percent over 1981. This increase was attributable to the payment of the \$60,000,000 of Consolidated Transportation Bond Anticipation Notes by the Department of Transportation as well as to increased interest costs for general obligation bonds.

Operating transfers in of \$208,341,000 increased \$36,919,000 from the preceding year, and operating transfers out of \$357,548,000 decreased \$1,405,000 from the preceding year. The operating transfers in increase of 21.5 percent over the amount for 1981 was attributable to the increase in the Maryland State Lottery's ticket sales for the year. The State Lottery receipts included a onetime increase of \$22,590,000 representing net receipts from the sale of instant lottery game tickets during 1982.