

The financial statements include the various departments, agencies and other organizational units governed by the General Assembly and/or constitutional officers of the State of Maryland. The following criteria was utilized to determine the entity for the State of Maryland: selection of governing authority, appointment of management, constitutional officers' ability to significantly influence operations and accountability for fiscal operations and scope of public service.

General Governmental Functions

Revenues of the general governmental functions (excluding capital projects) totaled \$5,013,166,000 for the fiscal year ending June 30, 1983. This represents an increase of 9.7 percent over revenues for the fiscal year 1982. Income tax, the largest source of revenue, produced 31.1 percent of general governmental revenues compared to 31.7 percent last year. The revenues (amounts expressed in thousands) from various sources and the change from last year are shown in the following tabulation:

Revenue Source	Amount	Percent of Total	Increase (Decrease) Over 1982 Actual	
			Amount	Percent
Income taxes	\$1,558,515	31.1%	\$106,160	7.3 %
Retail sales and use taxes	865,087	17.3	67,690	8.5
Motor vehicle taxes and fees	518,274	10.3	81,641	18.7
Other taxes	550,664	11.0	40,643	8.0
Other licenses and fees	57,488	1.1	8,062	16.3
Charges for services	185,585	3.7	(7,572)	(3.9)
Interest and other investment income	96,621	1.9	(28,378)	(22.7)
Other	87,588	1.8	6,716	8.3
Federal revenue	1,093,344	21.8	167,220	18.1
Total	\$5,013,166	100.0%	\$442,182	9.7 %

Of the total income tax revenue for fiscal year 1983, \$1,429,401,000 was produced by the individual income tax and \$129,114,000 by the corporate income tax, representing an increase of \$106,639,000 and a decline of \$479,000, respectively, compared to the prior year. The increase in individual income tax revenues of 8.1 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 0.4 percent from the prior year is attributable to recessionary times for businesses, as well as federal tax cuts which also affect the State's tax revenues.

The motor vehicle taxes and fees increased \$81,641,000 or 18.7 percent over the previous year. The increase was due to a rise in the motor vehicle fuels tax rate from 9 cents to 11 cents per gallon and an upturn in revenues from the motor vehicle titling tax.

Other licenses and fees increased \$8,062,000 or 16.3 percent over 1982. This increase was primarily attributable to increases in the amounts imposed for traffic fines and costs and an increase in the number of violations processed.

Interest and other investment income decreased \$28,378,000 or 22.7 percent from the previous year. This decline resulted from a drop in the average yield on maturing investments from 14.5 percent in 1982 to 9.1 percent in 1983.

Federal revenue increased \$167,220,000 or 18.1 percent over 1982. This increase resulted in additional federal revenues for 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: