

BALTIMORE CITY AND MONTGOMERY COUNTY

SENATE BILL 371

AN ACT to add a new sub-section to Section 6 of Article 4 of the Code of Public Local Laws of Maryland and Baltimore City Charter, title "Baltimore City", sub-title "General Powers", sub-heading "Taxes", as said section and charter were amended by Chapter 548 Laws of Maryland, 1945, authorizing the Mayor and City Council of Baltimore to have and exercise within the limits of Baltimore City the power to tax to the same extent as the State has or could exercise said power within the limits of said City, and to provide the procedure for the exercise of said power.

SENATE BILL 465

AN ACT to add a new section to the Montgomery County Code (1939 Edition), title "Montgomery County", sub-title "County Commissioners", said new section to be known as Section 186A and to follow immediately after Section 186 of said Article, conferring certain powers upon the County Commissioners of Montgomery County as to taxation.

These two bills would give to Baltimore City, in one instance, and Montgomery County in the other, all the power to tax within those political sub-divisions to the same extent as the State. Their approval would undoubtedly be followed by similar legislation in future sessions for other counties. The Sherbow Report made recommendations designed to avoid such a situation. My administration has adopted those recommendations and a policy of using the State's taxing powers to raise revenue for the political sub-divisions. We are, for the next State fiscal year, distributing more than \$8,250,000.00 to Baltimore City, and approximately \$12,000,000.00 to the counties. There does not seem to be any good reason why the sub-divisions should receive \$20,000,000.00 and at the same time, be granted taxing powers, the exercise of which would aggravate local tax disparities, instead of promoting a desirable uniformity of tax charges throughout the State. In addition, such blanket authority could be used to interfere with and impair the sources of revenues now relied upon by the State. The effort, in the Montgomery County bill, to give the State a veto power by making county action subject to the approval of the Board of Revenue Estimates of the State does not remove the ground for objections to this broad grant of power.

It does not appear that Baltimore City, the recipient of large additional funds from the State, will need any such