

1 expenditures become effective until approved by the local
2 governing body, unless the State legislature provides
3 sufficient funds to meet the increased cost of the local
4 expenditure.

5 "The third subject I propose to discuss is that
6 of taxation. It is generally acknowledged that there are
7 only three broad-based taxes: The income tax, the sales
8 tax, and the property tax. At the present time, the State
9 appropriates for its own use, to a greater or lesser extent,
10 all three of these sources. The local subdivisions tradi-
11 tionally have had available only the property tax as a major
12 source. The 1966 legislature, in special session, respond-
13 ing to the desperate financial plight of Baltimore City, did
14 authorize for one year only a local income tax, this authori-
15 zation, for the purpose of my discussion, will be ignored
16 because of its limited duration. On the other hand, the
17 Cooper Commission, of which I was a member, recommended
18 that the property tax be reserved to the political sub-
19 divisions. Currently, the State utilizes the property tax
20 to service its bonded debt. The current State rate of
21 fifteen cents per \$100 of assessed valuation returns to the