

1 has been traditional in Maryland, with but two exceptions,
2 that the real estate tax is the tax which is used to
3 service State indebtedness, and that is all it is used
4 for, so that the State tax which you now pay is determined
5 strictly by the amount of bond service requirement that
6 the annuity bond fund requires in any given year.

7 This has two, or this generates two problems.
8 One is that you have got to tack on a tax, usually the
9 real estate tax on every bond issue, and secondly, it
10 prevents, and if this is continued, would prevent the
11 elimination at the State level of the real estate tax,
12 which is thought by most modern physical thinkers to be a
13 good thing. It is generally believed, Cooper-Hughes
14 was the latest, but certainly by no means the only report
15 which recommended to the people that real estate tax be
16 reserved entirely for the local political subdivisions.

17 This is currently impossible, although
18 technically this can be subverted, but actually until the
19 bond issues which are now in existence, which are being
20 serviced by real estate tax, there has to be a real
21 estate tax available to service these bonds.