

which the State will pay them \$10,590,000 in the coming fiscal year.

An even greater proportion of increase can be shown in motor vehicle revenue and gasoline taxes, with the result that many localities carry on vast street improvement programs completely free from local tax levies for such purposes.

Included in the total of funds to be paid to the subdivisions by the State in fiscal 1955 is \$34,287,000 for public schools, compared with \$9,872,000 in 1947.

In almost every session of the General Assembly new laws are passed requiring the State to increase the expenditures for purely local purposes.

If House Bill No. 24 were to become effective, this already tremendous burden would be further increased. Additional regrettable steps in the same direction might well be inspired by this proposed legislation.

In Baltimore City and Baltimore County, for example, there now are City and County excise taxes levied by the local governments on tobacco products.

It is conceivable, as in the case of the present bill, that certain special interests would deem it beneficial to them to have these taxes levied on a state-wide basis, and a share of the collections distributed to all of the counties and the city.

This would add more millions to the burden of the State as a collection agency for local governments and would further remove the local appropriating bodies from the responsibility for collection of local revenues.

A similar broadening of the special taxes collected on commercial and industrial utilities bills by Baltimore City and Baltimore County would be within the realm of possibility.

Indeed the dangerous potentialities in the example of such legislation as this are so extensive that eventual complete support of local governments by State taxation is not inconceivable. Such an eventuality, of course, could lead only to the destruction of local government. The Sherbow Commission warned against this hazard.

3. There obviously was no popular demand from the counties or Baltimore City for this legislation. The City and Baltimore County already have their own liquor taxing authority and the revenue therefrom. The general effect is to force, so to speak, this extra revenue on other counties, increasing the cost of distilled beverages to the consumers, and necessitating an eventual increase in one or more fields of taxation for *all* taxpayers to make up the revenue lost to the State.