

title "Revenue and Taxes", sub-title "Income Tax", amending the definition of special taxing areas in Allegany County for the purposes of the distribution of a portion of the State income tax.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 319 of Article 81 of the Annotated Code of Maryland (1954 Supplement), title "Revenue and Taxes", sub-title "Income Tax", be and it is hereby repealed and re-enacted, with amendments, to read as follows:

319. Distribution of tax.

From the taxes collected under this sub-title, the Comptroller shall pay to each county of the State (and the word "county" as used herein shall mean and include the mayor and city council of Baltimore) an amount equal to the percentage of investment income and the percentage of other income, subject to tax under this sub-title, of the individual residents of said county, hereinafter specified. The amount to be distributed hereunder with respect to taxable income of the calendar year 1951 and thereafter, and of fiscal years ending in the calendar year 1951 and thereafter, shall be equal to 1.70% of all income taxable at the investment income rate, and .68% of all other income. Provided, however, that where the taxed income is that of a resident of an incorporated municipality of any county, the amount to be so paid over and distributed by the Comptroller hereunder, attributable to such taxpayer shall be equally divided between and paid over to the said incorporated municipality, and said county, in equal shares. For the purposes of this section, the special taxing areas in [Allegany County and] Montgomery County in existence on January 1, 1953, corresponding to incorporated municipalities shall be treated as incorporated municipalities; *and for the purposes of this section the special taxing areas in Allegany County in existence on January 1, 1953, shall be treated as incorporated municipalities.* Beginning with the income taxes payable for the calendar year 1953, if the taxpayer's year is a calendar year, and for the fiscal year beginning in 1953 and ending in 1954, if the taxpayer's year is a fiscal year, and continuing thereafter, no such distribution shall be made to any county or municipality unless it shall have levied, or there be levied for it, in its current fiscal year, taxes sufficient to collect a minimum of one dollar per capita of revenue and unless it shall have certified a copy of said levy to the State Comptroller; and provided further, that any moneys, otherwise distributable under the provisions of this section, which shall not be distributed at the close of the fiscal year of said county or municipality because of failure of said county or municipality to make such levy and certification, shall revert to the General Fund of the State Treasury. Per capita revenue shall be computed for purposes of this section by using the population figures furnished by the latest federal census or by an official local census, whichever is latest.

Every individual resident of Maryland making an income tax return under this sub-title shall be required to state on the tax return form furnished by the Comptroller the name of the county and the name of the incorporated municipality in which he resides.

The remainder of the taxes collected shall be paid into the general treasury of the State and distributed therefrom, in the manner and for the purposes set forth in the budget.