

mileage traveled in those states, and providing for the administration of the Compact; to repeal and re-enact, with amendments, Section 273 (a) of the said Article 81 of the Code (1963 Supplement), sub-title "Tax for Use and Maintenance of Roads", to provide for charging the excise tax for the issuance of every original certificate of title to vehicles registered under this section.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That new Sections 395 to 405, inclusive, be and they are hereby added to Article 66½ of the Annotated Code of Maryland (1963 Supplement), title "Motor Vehicles", to follow immediately after Section 394 thereof and to be under the new sub-title "Bus Taxation Proration and Reciprocity Agreement", and to read as follows:

395.

The Bus Taxation Proration and Reciprocity Agreement is hereby enacted into law and entered into with all jurisdictions legally joining therein in the form substantially as follows:

BUS TAXATION PRORATION AND RECIPROCITY AGREEMENT

396.

Article I. Purposes and Principles

(a) *Purposes of Agreement.* It is the purpose of this agreement to set up a system whereby any contracting state may permit owners of fleets of buses operating in two or more states to prorate the registration of the buses in such fleets in each state in which the fleets operate on the basis of the proportion of miles operated within such state to total fleet miles, as defined herein.

(b) *Principle of Proration of Registration.* It is hereby declared that in making this agreement the contracting states adhere to the principle that each state should have the freedom to develop the kind of highway user tax structure that it determines to be most appropriate to itself; that the method of taxation of interstate buses should not be a determining factor in developing its user tax structure; and that annual taxes or other taxes of the fixed fee type upon buses, which are not imposed on a basis that reflects the amount of highway use, should be apportioned among the states, within the limits of practicality, on the basis of vehicle miles traveled within each of the states.

397.

Article II. Definitions

(a) *State.* State shall include the states of the United States, the District of Columbia, the territories of the United States, the provinces of Canada, and the states, territories and Federal District of Mexico.

(b) *Contracting State.* Contracting state shall mean a state which is a party to this agreement.

(c) *Administrator.* Administrator shall mean the official or agency of a state administering the fee involved, or, in the case of proration