

Letter from State Law Department on H. B. 807

April 25, 1968.

Honorable Spiro T. Agnew
Governor of Maryland
State House
Annapolis, Maryland 21404

Dear Governor Agnew:

As requested I have reviewed House Bill No. 807 for constitutionality and legal sufficiency. The proposed bill purports to amend Section 15(d) of Article 81 of the Annotated Code of Maryland to provide for the progressive exemption of stock in business from taxation in Anne Arundel County after December 31, 1968.

In my opinion this bill is not legally sufficient because it is contradictory on its face. The amending language of the bill first provides:

“For the taxable year beginning January 1, 1969, for the purpose of county taxation in Anne Arundel County, such stock shall be assessed at thirty-three and one third per centum (33 $\frac{1}{3}$ %) of such fair average value for the twelve months preceding the date of finality, to be phased out over a three year period.”

It is then provided that from and after January 1, 1970, for the purpose of county taxation in Anne Arundel County, stock in business “shall be entirely exempt from valuation, assessment, and taxation under the provision of this section”.

It is evident that the portion of the bill providing for a three year phase out for assessment purposes on stock in business commencing January 1, 1969, is contradictory to that portion of the bill which provides that from and after January 1, 1970, stock in business shall be exempt from assessment and taxation in Anne Arundel County. In addition, the draftsman of the bill has erroneously designated January 1, 1969 as the beginning of the taxable year, when, under Section 29A(b) of Article 81, the Legislature has specified that beginning July 1, 1966, for every county in the State the taxable year is the period which starts on July 1 in each year.

I, therefore, respectfully recommend that you veto House Bill No. 807.

We call to your attention the fact that legislation in proper legal form, if enacted at the next session of the General Assembly, will still be timely, so as to exempt the stocks in question from taxation for the fiscal year beginning 1970, as is contemplated by the present bill.

Very truly yours,

(s) FRANCIS B. BURCH,

Attorney General.