

Article 81 of the Annotated Code of Maryland (1965 Replacement Volume and 1968 Cumulative Supplement), title "Revenue and Taxes," subtitle "Income Tax" and to add new subsections (n) and (o) to Section 312 of said Article and subtitle to follow immediately after subsection (m) of Section 312; to provide an earlier distribution to local fiscal authorities of certain withholding taxes paid monthly, to authorize the Comptroller to expend such amounts as are deemed necessary for the administration and enforcement of this subtitle, to provide an earlier date for reporting and remitting to the Comptroller income taxes withheld by an employer from the compensation of employees, to provide for reporting and remitting the taxes so withheld on a monthly basis in lieu of quarterly in certain instances, to provide for the filing and remitting of estimated income taxes by corporations and to further provide for the application of the interest and penalty sections against individuals and corporations in certain instances with respect to their estimated taxes.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That subsections (c) and (c-1) of Section 283 and subsection (h) of Section 312 of Article 81 of the Annotated Code of Maryland (1965 Replacement Volume and 1968 Cumulative Supplement), title "Revenue and Taxes," subtitle "Income Tax" be and it is hereby repealed and re-enacted, with amendments; and to add new subsections (n) and (o) to Section 312 of said Article and subtitle to follow immediately after subsection (m) of Section 312, to read as follows:

283.

(c) Any local income tax imposed under the provisions of this section shall be administered by the Comptroller of the Treasury who shall collect and account for the revenue, crediting all such funds to a local income tax fund hereby established in the State treasury. Local income taxes imposed pursuant to this section shall be subject to the provisions of Section 312 of this subtitle relating generally to withholding at the source, declaration of estimated tax due, and remittance thereof to the Comptroller.

After deducting the cost of any refunds and the prorated share of the cost of operating the Income Tax Division, the Comptroller shall pay over the balance to the appropriate local fiscal authority. All such payments shall be made by the Comptroller as soon as practicable. As often as practicable, but not less frequently than every calendar quarter, the Comptroller shall pay over and distribute to the counties of the State and to Baltimore City the respective amounts to which they may be estimated to become entitled under the provisions of this section which have been received in the form of withholding and estimated taxes paid. *Provided, however, that for all calendar years beginning after December 31, 1969, and thereafter the Comptroller shall, prior to the last day of the State fiscal year, pay over and distribute to the appropriate local fiscal authority of the counties of this State and to Baltimore City the respective amounts to which they may be estimated to become entitled under the provisions of this section which have been received in the form of withholding taxes paid on a monthly basis for the months of April and May in accordance with Section 312(h)(2) of this subtitle.*