

These rapid changes in this tax structure make the estimating of these revenues very difficult, particularly in view of the extreme volatility of this tax yield even under ordinary circumstances.

Current reports from economists are that business profits are now in a leveling off stage and will probably decline in 1970 due to rising wage demands, interest rates and other business costs. This seems to be borne out by the current Dow Jones Stock Market Index fluctuations.

Following is an analysis of Corporate Income Tax Revenues for the Fiscal Years 1968, 1969, 1970 and 1971.

	Fiscal Year 1968 Actual	Fiscal Year 1969 Actual	Fiscal Year 1970 Revised Estimate	Fiscal Year 1971 Estimate
<b>General Fund</b>	\$ Thousands			
Total Receipts .....	32,459	45,642	47,350	58,400#
Less—Personal Property Tax Credit .....	.....	2,000	4,000	5,000
Net Receipts .....	32,459	43,642	43,350	53,400
Maryland Port Authority .....	4,253	5,702	5,750	5,750
Grand Total .....	36,712	49,344	49,100	59,150

# Includes \$11,000,000 from Calendar 1971 initial declaration payments.

#### *Retail Sales and Use Taxes*

Net receipts from Retail Sales and Use Taxes for the July-October 1969 period increased by about 47% over the same period a year ago, due to the 1% increase in the rate, and the removal of exemptions for soaps and ice. This would indicate that these revenues should reach about \$238,300,000 for the current Fiscal Year 1970. A growth of 8% is now anticipated in this revenue for the Fiscal Year 1971 which is near a 10% rate of growth reached in Fiscal 1969 just before the increases in rate and coverage. This rate of sales tax growth should be reached if Individual Income Tax growth reaches 15% or more annually as heretofore estimated.

#### *Motor Vehicle User Revenues*

Following is a five year table of Motor Vehicle User Revenues showing the background actual revenues for the Fiscal Years 1967, 1968 and 1969 and the current projections for the Fiscal Years 1970 and 1971.

Fiscal Year	Motor Vehicle Fuel Tax	Motor Vehicle Revenues	Total
	\$	\$	\$
1967—Actual .....	90,698,948	70,852,022	161,550,970
1968—Actual .....	97,396,104	75,793,161	173,189,265
1969—Actual .....	104,441,408	96,618,667	201,060,075
1970—Revised Estimate .....	110,707,000	108,117,384	218,824,384
1971—Estimate .....	116,242,000	112,590,000	228,832,000

Attached is a detailed analysis of these revenues.