

## No. 62

## (Senate Joint Resolution 10)

Senate Joint Resolution urging the Governor of Maryland to make application to the Multistate Tax Commission for the State of Maryland to become an Associate Member of that Commission.

WHEREAS, The matter of taxation by states of business entities engaged in interstate commerce is a large and complex problem; and,

WHEREAS, The General Assembly of Maryland and tax officials of the State for many years have been concerned about finding a solution to the problem that would be satisfactory both to the State and to the business community; and,

WHEREAS, There is pending in the Congress of the United States a bill, designated as H.R. 7906, also known as the Rodino Bill, together with other similar legislation, to restrict the authority of state and local governments to tax businesses engaged in interstate commerce; and,

WHEREAS, A Multistate Tax Commission was established in 1966 to implement a tax compact among the states to provide, as an alternative to Federal restrictions, regulation by the states themselves of their taxing authority in areas of multistate business; and,

WHEREAS, Maryland tax officials traditionally have opposed Federal legislation similar to the Rodino bill on the basis that the State would gain nothing and might suffer losses in both income and sales tax revenues under its provisions; and,

WHEREAS, Maryland tax authorities also oppose the State's adoption of the Multistate Tax Compact, for the reason that its plan of allocation of income of multistate businesses for tax purposes might adversely affect Maryland revenues, and also because the Congress of the United States has not yet adopted consent legislation validating the provisions of that Compact; and,

WHEREAS, The Multistate Tax Commission has made provisions for associate memberships at no cost to a state and with such associate member being free to attend all commission meetings and discuss with other members the many faceted problems having to do with state taxation of interstate business; and,

WHEREAS, In addition to the eighteen (18) states with full compact membership, there are eleven (11) states with associate memberships, with two additional states having recently applied for associate memberships; now, therefore, be it

*Resolved by the General Assembly of Maryland,* That the Governor of Maryland be urged to apply to the Multistate Tax Commission for an associate membership in that organization for the State of Maryland; and be it further

*Resolved,* That copies of this resolution be sent to the Governor and to Multistate Tax Commission, ~~615 East 13th Street, Kansas City Missouri 64106~~ 1200 LINCOLN STREET, DENVER, COLORADO 80203.

Approved April 28, 1970.