to Article 81 - Revenue and Taxes, of the Annotated Code of Maryland (1975 Replacement Volume and 1975 Supplement) to read as follows:

Article 81 - Revenue and Taxes

312A.

(A) THE COMPTROLLER MAY REVOKE OR SUSPEND [[THE LICENSE OF]] ANY LICENSE ISSUED BY THE COMPTROLLER TO ANY BUSINESS EMPLOYER WHO WILFULLY FAILS TO DEDUCT, WITHHOLD AND PAY TO THE COMPTROLLER THE TAXES PROVIDED FOR IN § 312.

(B) ANY EMPLOYER WHO WILFULLY VIOLATES ANY OF THE PROVISIONS OF § 312 SHALL BE DEEMED GUILTY OF A MISDEMEANOR AND UPON CONVICTION BE SUBJECT TO A FINE NOT TO EXCEED $500 OR IMPRISONMENT NOT TO EXCEED SIX MONTHS, OR BOTH, IN THE DISCRETION OF THE COURT.

(C) THE COMPTROLLER IS AUTHORIZED TO ESTABLISH RULES AND REGULATIONS FOR IMPLEMENTING THE PROVISIONS OF THIS SECTION.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed only prospectively and may not be applied or interpreted to have any effect upon or application to any event or happening occurring prior to the effective date of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1976.

Approved May 17, 1976.

CHAPTER 810

(House Bill 1741)

AN ACT concerning

Income Tax - Subchapter S Corporations

FOR the purpose of providing for treatment for State income tax purposes of distributions of corporate income of Subchapter S corporations in the same manner as this corporate income is treated under the federal Internal Revenue Code and providing for the effective date of this treatment.

BY repealing and reenacting, with amendments,