

THE ASSOCIATION OR INSTITUTION, WHETHER IT BE A SPECIFIC STATE AGENCY OR THE COMPTROLLER, SHALL BE REQUIRED TO DETERMINE IF THE FUNDS HAVE BEEN EXPENDED AND ACCOUNTED FOR CONSISTENT WITH THE UNDERLYING AGREEMENTS.

(E) UPON COMPLETION OF THE DETERMINATIONS REQUIRED BY THIS SECTION THE STATE AGENCY OR STATE COMPTROLLER SHALL NOTIFY THE DEPARTMENT OF BUDGET AND FISCAL PLANNING AND THE DEPARTMENT OF FISCAL SERVICES OF ANY INCONSISTENCIES NOTED BETWEEN THE AGREEMENTS AND THE ACTUAL EXPENDITURES OR OPERATIONS OF THE ASSOCIATIONS AND INSTITUTIONS.

~~(D)~~ (F) THE COMPTROLLER OR STATE AGENCY OR COMPTROLLER MAY AUDIT THE FINANCIAL AFFAIRS OF ANY SUCH ASSOCIATION OR INSTITUTION IN ORDER TO INSURE COMPLIANCE WITH THIS SECTION.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1977.

Approved April 29, 1977.

CHAPTER 248

(House Bill 239)

AN ACT concerning

Income Tax - Subchapter S Corporations

FOR the purpose of exempting from the State corporate income tax those small business corporations which have elected to be taxed as Subchapter S corporations.

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes
Section 288(d)
Annotated Code of Maryland
(1975 Replacement Volume and 1976 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That Section 288(d) of Article 81 - Revenue and Taxes, of the Annotated Code of Maryland (1975 Replacement Volume and 1976 Supplement) be and it is hereby repealed and reenacted, with amendments, to read as follows:

Article 81 - Revenue and Taxes