

(4) A PAYMENT OF WINNINGS DERIVED FROM WAGERING IN THE STATE IF THE PAYMENT IS SUBJECT TO WITHHOLDING UNDER § 3402 OF THE INTERNAL REVENUE CODE.

(d) (1) "Payor" means a person responsible to make a payment subject to withholding.

(2) "Payor" includes:

(i) the federal government;

(ii) the State;

(iii) a county, municipal corporation, political subdivision, or instrumentality of the State;

(iv) another state to the extent that functions of its government are carried on or performed in this State; and

(v) if the payor is a corporation:

1. any officer of the corporation who exercises direct control over its fiscal management; and

2. any agent of the corporation who has a duty to withhold income tax from payments subject to withholding.

(E) "WAGERING" INCLUDES:

~~(1) ANY LOTTERY, INCLUDING THE STATE LOTTERY; AND~~

~~(2) ANY PARI-MUTUEL WAGERING, INCLUDING ANY PARI-MUTUEL WAGERING CONDUCTED UNDER ARTICLE 78B OF THE CODE.~~

[(e)] (F) "Withhold" includes deducting income tax.

10-906.

(a) Except as provided in § 10-907 of this subtitle, each employer or payor shall:

(1) withhold the income tax required to be withheld under § 10-908 of this subtitle; and

(2) pay to the Comptroller the income tax withheld for a period with the withholding return that covers the period.

(b) Any income tax withheld is deemed to be held in trust for the State by the employer or payor who withholds the tax.