

BY adding to

Article 64A - Merit System  
 Section 38A(e)  
 Annotated Code of Maryland  
 (1988 Replacement Volume and 1988 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 64A - Merit System

38A.

(c) Notwithstanding any of the provisions or definitions of this article to the contrary, the term "employee" as used in this section shall include nonclassified employees as well as classified employees. In the event of any questions as to who shall be deemed officers or employees under the provisions of this section, the matter shall be resolved by the Secretary of Personnel.

(E) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) 1. "FOREIGN STATE INCOME TAX" MEANS A TAX ON INCOME IMPOSED BY A STATE OTHER THAN MARYLAND.

2. "FOREIGN STATE INCOME TAX" DOES NOT INCLUDE A TAX ON INCOME IMPOSED BY A POLITICAL SUBDIVISION OF A STATE.

(III) "NONRESIDENT" HAS THE MEANING STATED IN § 10-101(G) OF THE TAX - GENERAL ARTICLE.

(IV) "STATE" HAS THE MEANING STATED IN § 1-101(U) OF THE TAX - GENERAL ARTICLE.

(2) SUBJECT TO THE LIMITATIONS PROVIDED UNDER PARAGRAPH (3) OF THIS SUBSECTION, THE CENTRAL PAYROLL BUREAU SHALL:

(I) WITHHOLD FOREIGN STATE INCOME TAX FROM THE WAGES OR SALARY OF AN OFFICER OR EMPLOYEE OF THE STATE WHO IS A NONRESIDENT; AND

(II) PAY THE AMOUNT WITHHELD TO THE APPROPRIATE TAX COLLECTING AGENCY OF THE STATE WHERE THE OFFICER OR EMPLOYEE RESIDES.

(3) THIS SUBSECTION APPLIES ONLY IF: