

Administration; and generally relating to certain conditions on the distribution of certain State revenues to certain local governmental entities.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 2-607

Annotated Code of Maryland

(1988 Volume and 1992 Supplement)

BY repealing and reenacting, with amendments,

Article – Transportation

Section 8-406

Annotated Code of Maryland

(1977 Volume and 1992 Supplement)

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

Article – Tax – General

2-607.

(a) After making the distributions required under §§ 2-604 through 2-606 of this subtitle, from the remaining income tax revenue from individuals, the Comptroller shall distribute to each special taxing district that received an income tax revenue distribution in fiscal year 1977 and to each municipal corporation an amount that, based on the certification of the Comptroller as to State income tax liability and county income tax liability of the residents of the district or municipal corporation, equals the greater of:

- (1) 8.5% of the State income tax liability of those residents;
- (2) 17% of the county income tax liability of those residents; or
- (3) 0.37% of the Maryland taxable income of those residents.

(b) The Comptroller shall adjust the amount distributed under subsection (a) of this section to a municipal corporation or special taxing district to allow for a proportionate part of refund and interest payments for a prior calendar year made after a distribution is made to the municipal corporation or district for that year.

[(c) Unless a municipal corporation or special taxing district files with the Comptroller a certified copy of its property tax levy for its current fiscal year and the levy is sufficient to collect tax revenue of at least \$1 per capita based on the most recent federal or official census, the Comptroller may not:

- (1) certify the State income tax liability of residents of the municipal corporation or district; or
- (2) make a distribution to the municipal corporation or district for a fiscal year.]