

reduces revenues in all participating states without increasing the total number and quality of jobs. Therefore, the Governor should work with chief executive officers of Delaware, the District of Columbia, North Carolina, Pennsylvania, Virginia, and West Virginia to negotiate an agreement among all of these states by July 1, 1998, for the repeal of any law in each state that provides a tax subsidy, including any tax credit, deduction, exemption, or other modification, that is intended to create new jobs or entice new jobs to the state. The agreement shall specify the sections of the laws of each state that allow for such a tax subsidy and shall provide that each state will adopt legislation to repeal those sections of the laws of that executive's state, contingent on the enactment of the corresponding legislation by each of the other states. In connection with the agreement, the executives shall propose approaches for ensuring continuing compliance with the terms of the agreement. The Governor shall report to the Senate Budget and Taxation Committee and the House Ways and Means Committee of the Maryland General Assembly on or before September 15, 1998 on the status of reaching an agreement.

If an agreement has not been reached, the Governor shall include in the report alternatives to encourage agreement among the respective states, including but not limited to, increasing the amount of the job creation tax credit.

SECTION 5. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect October 1, 1997.

SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in Section 5 of this Act, this Act shall take effect July 1, 1996 and shall apply to all taxable years beginning after December 31, 1995 for all employees hired after January 1, 1996.

Approved April 30, 1996.

CHAPTER 85

(Senate Bill 219)

AN ACT concerning

Sales and Use Tax – Snack Food

FOR the purpose of repealing an exception for certain snack food to a certain exemption under the sales and use tax; exempting from the sales and use tax the sale of certain snack food through vending machines; and providing for the effective date of this Act.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 11-206(a) and (c)

Annotated Code of Maryland

(1988 Volume and 1995 Supplement)

BY adding to

Article – Tax – General