

1. an adjustment is made for the exemptions for the period; and
 2. if there is a separate table for nonresidents, an adjustment is made to allow the exhaustion of exemptions for a nonresident before any income tax is withheld.

(3) The total amounts required under the tables to be withheld during a taxable year shall approximate, as closely as possible, the total [State] income tax due on the wages for the year.

(d) (1) The Comptroller may prepare income tax percentage withholding schedules that show the percent of income tax to be withheld from wages. The Comptroller may prepare separate schedules for residents and nonresidents.

(2) The optional percentage withholding schedules shall provide for:

(i) wages for each withholding period allowable under § 10-909 of this article; and

(ii) the percent of [State] income tax required to be withheld for the withholding period, after:

1. an adjustment is made for the exemptions for the period; and
 2. if there is a separate schedule for nonresidents, an adjustment is made to allow the exhaustion of exemptions for a nonresident before any income tax is withheld.

(3) The total percentages required under the schedules to be withheld during a taxable year shall approximate, as closely as possible, the [State] income tax due on the wages for the year.

(e) At the option of the employer, withholdings may be made using either the withholding tables or the percentage withholding schedule.

2-104.

(D) (1) THE COMPTROLLER SHALL DESIGN THE RETURNS AND OTHER FORMS UNDER THE INCOME TAX SO THAT, TO THE EXTENT PRACTICABLE, INCOME TAX PAYMENTS ATTRIBUTABLE TO THE COUNTY INCOME TAX ARE COLLECTED BY THE COMPTROLLER AS SEPARATE PAYMENTS MADE PAYABLE TO "LOCAL INCOME TAX FUND - COMPTROLLER".

(2) THIS SUBSECTION DOES NOT APPLY TO PAYMENTS TO THE COMPTROLLER BY EMPLOYERS OR OTHER PAYORS OF INCOME TAX WITHHELD FROM WAGES OR OTHER PAYMENTS.

(3) NOTWITHSTANDING PARAGRAPH (1) OF THIS SUBSECTION, ALL INCOME TAX PAYMENTS FROM INDIVIDUALS COLLECTED BY THE COMPTROLLER:

(I) SHALL BE DEPOSITED TO THE ACCOUNT OF THE STATE; AND

(II) SHALL BE ACCOUNTED FOR AND DISTRIBUTED AS PROVIDED UNDER SUBTITLE 6 OF THIS TITLE.