

10-106.

~~(a) (1) Each county shall set, by ordinance or resolution, a TOP MARGINAL county income tax RATE equal to at least [20%] 1% but not more than [60%, to be applied to the State income tax for an individual] 3% OF MARYLAND TAXABLE INCOME.~~

~~(2) A TOP MARGINAL county income tax rate continues until the county changes the rate by ordinance or resolution.~~

~~(3) (i) A county may not increase its county income tax rate above [50%] 2.5% until after the county has held a public hearing on the proposed act, ordinance, or resolution to increase the rate.~~

~~(ii) The county shall publish at least once each week for 2 successive weeks in a newspaper of general circulation in the county:~~

~~1. notice of the public hearing; and~~

~~2. a fair summary of the proposed act, ordinance, or resolution to increase the county income tax rate above [50%] 2.5%.~~

~~(4) Notwithstanding paragraph (1) or (2) of this subsection, in Howard County, the county income tax rate may be changed only by ordinance and not by resolution.~~

~~(B) THE COUNTY INCOME TAX RATE IS:~~

~~(1) 40% OF THE TOP MARGINAL COUNTY INCOME TAX RATE FOR MARYLAND TAXABLE INCOME OF \$1 THROUGH \$1,000;~~

~~(2) 60% OF THE TOP MARGINAL COUNTY INCOME TAX RATE FOR MARYLAND TAXABLE INCOME OF \$1,001 THROUGH \$2,000;~~

~~(3) 80% OF THE TOP MARGINAL COUNTY INCOME TAX RATE FOR MARYLAND TAXABLE INCOME OF \$2,001 THROUGH \$3,000; AND~~

~~(4) THE TOP MARGINAL COUNTY INCOME TAX RATE FOR MARYLAND TAXABLE INCOME IN EXCESS OF \$3,000.~~

~~[(b)](C) Except as provided in subsection [(c)] (D) of this section, if a county changes its TOP MARGINAL county income tax rate, the county shall:~~

~~(1) increase or decrease the rate in increments of [5 percentage points] ONE QUARTER OF A PERCENTAGE POINT, effective on January 1 of the year that the county designates; and~~

~~(2) give the Comptroller notice of the rate change and the effective date of the rate change on or before July 1 prior to its effective date.~~

~~[(c)](D) A county income tax rate in excess of [50%] 2.5% at the option of the county may be a multiple of [2 percentage points] ONE TENTH OF A PERCENTAGE POINT above [50%] 2.5% instead of a multiple of [5 percentage points above 50%] ONE QUARTER OF A PERCENTAGE POINT ABOVE 2.5%.~~