

(e) The costs of administering the Fund shall be paid from federal capitalization grants and awards, from bond sale proceeds, ~~FROM INVESTMENT EARNINGS~~, and from amounts received from borrowers pursuant to loan agreements, and not from any State moneys appropriated to the Fund, EXCEPT GENERAL FUNDS OF THE STATE USED TO MATCH FEDERAL CAPITALIZATION GRANTS AND AWARDS TO THE FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That the Department of the Environment shall promptly notify the Departments of Budget and Fiscal Planning and Fiscal Services if any changes are made to the current federal limitation on administrative expenses paid from the Fund.

~~SECTION 2.~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1991.

Approved April 30, 1991.

CHAPTER 86

(Senate Bill 88)

AN ACT concerning

Income Tax – Taxation of S Corporations and Partnerships – Nonresidents’ Share of Income

FOR the purpose of requiring certain S corporations and partnerships to pay a tax based on the income of the nonresident shareholders and partners; requiring the tax to be paid at a certain rate; ~~providing that S corporations and partnerships file estimated tax returns, subject to a certain limitation; requiring partnerships to file estimated tax returns and pay estimated taxes under certain circumstances; providing for certain credits to nonresident shareholders and partners; requiring the payment of estimated taxes~~ authorizing the Comptroller to provide by regulation for the filing of composite returns by S corporations and partnerships and for the application of or exemption from the tax under certain circumstances; limiting the liability of certain partners for the tax imposed on a partnership except under certain circumstances; eliminating the withholding of nonresident tax by S corporations; providing for the effective date application of this Act; and generally relating to income taxation of certain partnerships and S corporations having nonresident partners or shareholders.