HOUSE BILL 1624

L6, Q8 8lr2286 CF SB 764

By: Delegates Anderton, B. Barnes, D. Barnes, Mautz, Sample-Hughes, and Walker

Introduced and read first time: February 9, 2018

Assigned to: Appropriations

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this section.

	A BILL ENTITLED
1	AN ACT concerning
2	Local Governments - Income Tax Disparity Grants - Amounts
3 4 5 6	FOR the purpose of altering the calculation of certain income tax disparity grants to counties and Baltimore City under certain circumstances and for certain fiscal years extending a certain termination provision; and generally relating to income tax disparity grants to counties and Baltimore City.
7 8 9 10 11	BY repealing and reenacting, with amendments, Article – Local Government Section 16–501 Annotated Code of Maryland (2013 Volume and 2017 Supplement)
12 13 14	BY repealing and reenacting, with amendments, Chapter 738 of the Acts of the General Assembly of 2016 Section 2
15 16	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND That the Laws of Maryland read as follows:
17	Article – Local Government
18	16–501.

22 (b) A county may not receive a grant under subsection (a) of this section if the 23 county's income tax rate was less than 2.6%:

shall pay to an eligible county a grant in the amount determined under subsection (c)(3) of

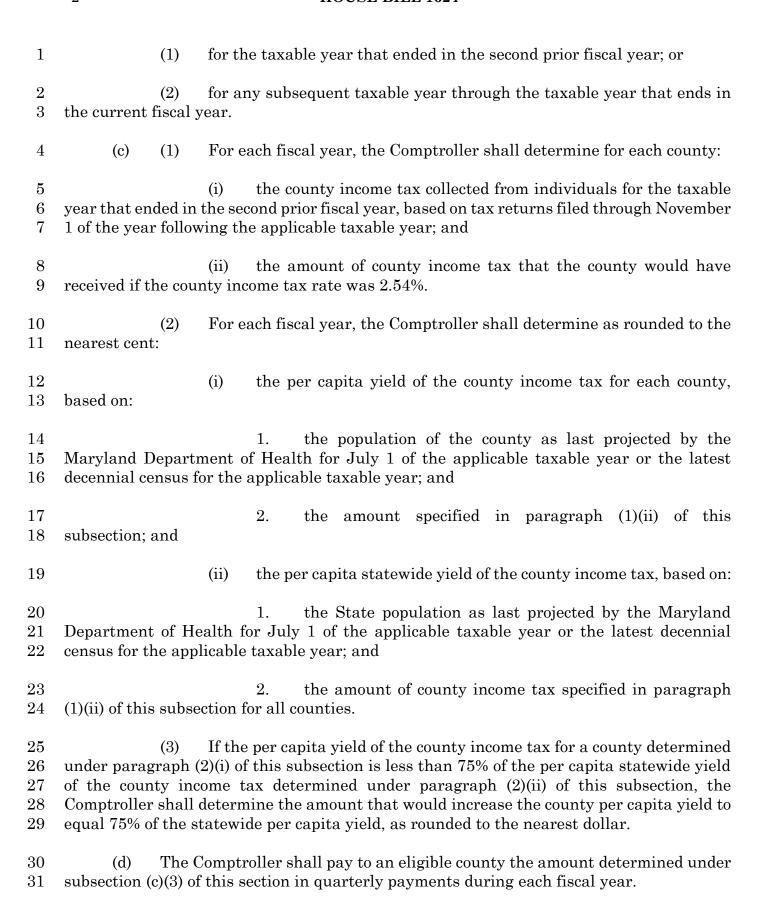
Subject to subsection (e) of this section, for each fiscal year, the Comptroller



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(e)

(1)



Except as provided in paragraph (2) of this subsection, for fiscal year

- 1 2011 and each subsequent fiscal year, the distribution provided to any county or Baltimore 2City under this section may not exceed the amount distributed to the county or Baltimore 3 City for fiscal year 2010. **(2)** 4 (i) If a county or Baltimore City has a county income tax rate of at 5 least 2.8% but less than 3%, the county or Baltimore City may receive a minimum of 20% 6 of the amount determined under subsection (c)(3) of this section. 7 (ii) If a county or Baltimore City has a county income tax rate of at 8 least 3% but less than 3.2%, the county or Baltimore City may receive a minimum of 40% 9 of the amount determined under subsection (c)(3) of this section. 10 (iii) If a county or Baltimore City has a county income tax rate of at 11 least 3.2%: 12 on or before June 30, 2017, the county or Baltimore City 1. 13 may receive a minimum of 60% of the amount determined under subsection (c)(3) of this 14 section; 15 2.in fiscal year 2018, the county or Baltimore City may receive a minimum of 63.75% of the amount determined under subsection (c)(3) of this 16 17 section; and 18 3. in fiscal [year] YEARS 2019, **2020**, AND **2021**, the county 19 or Baltimore City may receive a minimum of 67.5% of the amount determined under 20 subsection (c)(3) of this section. Chapter 738 of the Acts of 2016 21
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period [3] 5 years and, at the end of June 30, [2019] 24 2021, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2018.