L6, Q8 8lr3327 CF 8lr2286

By: Senator Mathias

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this section.

Introduced and read first time: February 5, 2018

Assigned to: Budget and Taxation

A BILL ENTITLED

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

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

A county may not receive a grant under subsection (a) of this section if the

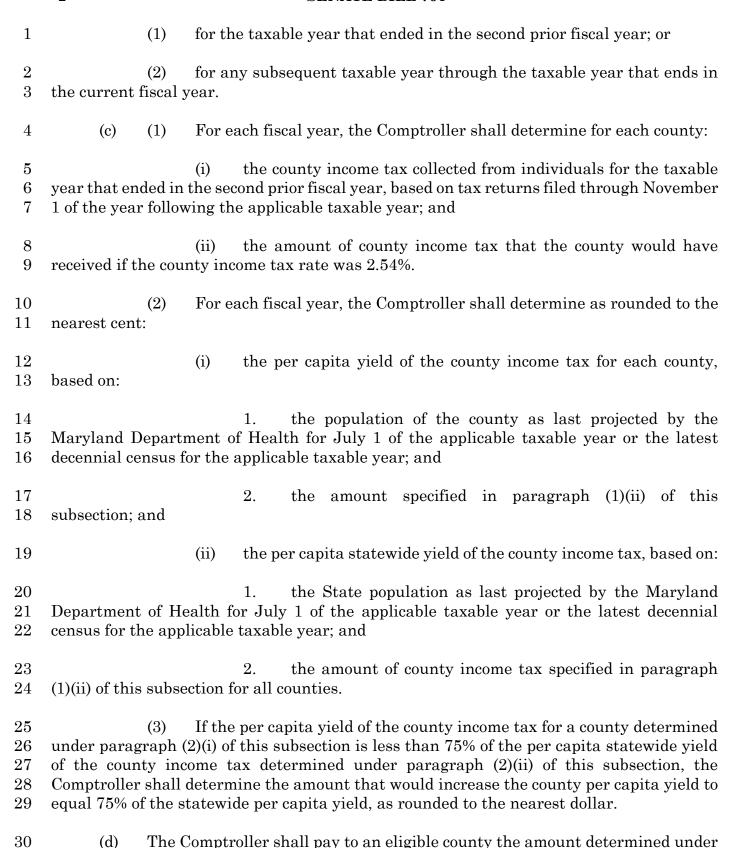
EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

county's income tax rate was less than 2.6%:



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32 (e) (1) Except as provided in paragraph (2) of this subsection, for fiscal year 33 2011 and each subsequent fiscal year, the distribution provided to any county or Baltimore

subsection (c)(3) of this section in quarterly payments during each fiscal year.

- 1 City under this section may not exceed the amount distributed to the county or Baltimore 2City for fiscal year 2010. 3 (2)If a county or Baltimore City has a county income tax rate of at (i) least 2.8% but less than 3%, the county or Baltimore City may receive a minimum of 20% 4 5 of the amount determined under subsection (c)(3) of this section. 6 (ii) If a county or Baltimore City has a county income tax rate of at 7 least 3% but less than 3.2%, the county or Baltimore City may receive a minimum of 40% 8 of the amount determined under subsection (c)(3) of this section. 9 (iii) If a county or Baltimore City has a county income tax rate of at 10 least 3.2%: on or before June 30, 2017, the county or Baltimore City 11 12 may receive a minimum of 60% of the amount determined under subsection (c)(3) of this 13 section; 14 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 15 16 section; and 17 in fiscal [year] YEARS 2019, 2020, AND 2021, the county 3. 18 or Baltimore City may receive a minimum of 67.5% of the amount determined under 19 subsection (c)(3) of this section. 20 Chapter 738 of the Acts of 2016 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 21221, 2016. It shall remain effective for a period [3] 5 years and, at the end of June 30, [2019] 232021, with no further action required by the General Assembly, this Act shall be abrogated
- 25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July $26-1,\,2018.$

and of no further force and effect.

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