

BY: Committee on Ways and Means

AMENDMENTS TO HOUSE BILL NO. 724  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “altering” in line 4 down through “rentals;” in line 5; in line 9, after “vehicles;” insert “pledging certain taxes collected to pay the principal and interest on certain bonds; requiring certain funds in a certain trust fund to be distributed in a certain manner; requiring a certain report by a certain date;”; in line 10, after “Act;” insert “providing for a delayed effective date;”; in line 19, strike the first comma and substitute “and”; in the same line, strike “, and 11-104”; and after line 21, insert:

“BY repealing and reenacting, without amendments,

Article - Tax - General

Section 11-104

Annotated Code of Maryland  
(1997 Replacement Volume)”.

On page 2, after line 2, insert:

“BY repealing and reenacting, without amendments,

Article - Transportation

Section 3-215(a) and 8-402(a)

Annotated Code of Maryland  
(1993 Replacement Volume and 1997 Supplement)

BY repealing and reenacting, with amendments,

Article - Transportation

Section 3-215(b) and 8-402(b)

Annotated Code of Maryland  
(1993 Replacement Volume and 1997 Supplement)”;

(Over)

and in line 11, after “Section” insert “2 and”.

AMENDMENT NO. 2

On page 2, in line 17, strike “50%” and substitute “53.125%”.

AMENDMENT NO. 3

On page 3, in line 27, strike the brackets; in the same line, strike “\$1”; and in line 28, strike the bracket.

On page 5, in line 13, strike the bracket; in the same line, strike “10”; in line 14, strike all of the brackets; in the same line, strike “(II)”; in the same line, strike “1 CENT”; in the same line, strike “10”; in line 15, strike the brackets; and in the same line, strike “10”.

AMENDMENT NO. 4

On page 6, after line 20, insert:

“3-215.

(a) (1) For the purpose of paying the principal of and interest on consolidated transportation bonds as they become due and payable, there is hereby levied and imposed an annual tax that consists of the taxes specified in this section and, to the extent necessary and except as otherwise provided in this subsection, that shall be used and applied exclusively for that purpose.

(2) The required use and application of the tax under paragraph (1) of this subsection is subject only to the prior use and application of one or all or any combination of the taxes specified in this section to meet the debt service on all of the following bonds while they are outstanding and unpaid and to the payment of which any part of those taxes has been pledged:

(i) Bonds of prior issues;

(ii) Bonds of any series of county highway construction bonds or county transportation bonds issued under § 211 or § 211G-1 of Article 89B of the Code of 1957; and

(iii) Bonds of any series of county transportation bonds issued under Subtitle 3 of this title.

(b) The tax levied and imposed by this section consists of that part of the following taxes that are retained to the credit of the Department after distributions to the political subdivisions:

(1) The motor fuel tax revenue distributed under §§ 2-1103(2) and 2-1104(4) of the Tax - General Article;

(2) The income tax revenue distributed under §§ 2-614 and 2-616 of the Tax - General Article; [and]

(3) The excise tax imposed on vehicles by Part II of Title 13, Subtitle 8 of this article; AND

(4) THE SALES AND USE TAX REVENUES ON SHORT-TERM RENTAL VEHICLES DISTRIBUTED UNDER § 2-1302.1 OF THE TAX - GENERAL ARTICLE.

8-402.

(a) There is a Gasoline and Motor Vehicle Revenue Account in the Transportation Trust Fund.

(b) All revenues collected from the following, after deductions provided by law, shall be credited to the Gasoline and Motor Vehicle Revenue Account:

(1) All of the motor vehicle fuel tax;

(2) Except as otherwise provided by law, 80 percent of the vehicle titling tax;

(3) Except for revenues collected under Parts III and IV of Title 13, Subtitle 9 of this article, vehicle registration fees; [and]

(4) The revenue disbursed to this account under §§ 2-614 and 2-617(1) of the Tax - General Article; AND

(Over)

(5) 80 PERCENT OF THE FUNDS DISTRIBUTED UNDER § 2-1302.1 OF THE TAX - GENERAL ARTICLE TO THE TRANSPORTATION TRUST FUND FROM THE SALES AND USE TAX COLLECTED ON SHORT-TERM VEHICLE RENTALS UNDER §11-104 OF THE TAX - GENERAL ARTICLE.”.

AMENDMENT NO. 5

On page 7, after line 22, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That the Comptroller's office shall continue to monitor the effects of Chapter 254 of the Acts of 1993 and the revenues generated by the taxes imposed by the State of Maryland on the short-term vehicle rental industry. [The Department of Fiscal Services shall review these effects and shall be prepared to brief the fiscal committees or other committees of the General Assemble on request.]”.

On page 8, in line 3, after “That” insert “the Department of Budget and Management, in consultation with the Comptroller's Office and the Department of Transportation, shall report by December 1, 1999, to the House Ways and Means Committee and the Senate Budget and Taxation Committee on the impact of this Act, including:

(a) whether the increased sales and use tax rate and the expanded sales tax base applied to short-term rental vehicle transactions meets the revenue neutral goal of Chapter 254 of the Acts of 1993; and

(b) whether the sales and use tax revenues distributed to the Transportation Trust Fund pursuant to § 2-1302.1 of the Tax - General Article provide an appropriate distribution of funds between the General Fund and the Transportation Trust Fund as a result of the provisions of Section 1 of this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That”;

and in lines 4, 6, 8, and 10, in each instance, strike “1998” and substitute “1999”.