

**SENATE BILL 603**  
CONSTITUTIONAL AMENDMENT

Unofficial Copy  
B1

1998 Regular Session  
8lr2366

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By: **Senators Craig, Stoltzfus, Derr, Boozer, Ferguson, Munson, Roesser,  
Hafer, Hogan, Haines, Colburn, and McCabe**

Introduced and read first time: February 6, 1998

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Constitutional Amendment - Rebate of Revenue Surplus to Individual**  
3                                   **Income Taxpayers**

4 FOR the purpose of proposing an amendment to the Constitution of Maryland to  
5 require that certain revenues received in excess of certain estimates be paid to  
6 individual income taxpayers in a certain manner; requiring the Comptroller to  
7 report certain revenues and estimates of revenues to the Governor and General  
8 Assembly at certain times; requiring the Comptroller to determine the  
9 percentage amount of payment that will distribute the excess to individual  
10 income taxpayers in a certain manner; requiring the Comptroller to mail  
11 payments to eligible individual income taxpayers; generally relating to a  
12 constitutional requirement that certain revenues received in excess of certain  
13 estimates be paid to individual income taxpayers in a certain manner; and  
14 submitting this amendment to the qualified voters of the State of Maryland for  
15 their adoption or rejection.

16 BY proposing an addition to the Constitution of Maryland  
17 Article III - Legislative Department  
18 Section 52A

19 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
20 MARYLAND, (Three-fifths of all the members elected to each of the two Houses  
21 concurring), That it be proposed that the Constitution of Maryland read as follows:

22                                   **Article III - Legislative Department**

23 52A.

24 (A) (1) AS SOON AS PRACTICABLE AFTER ADJOURNMENT SINE DIE OF EACH  
25 REGULAR SESSION OF THE GENERAL ASSEMBLY, THE COMPTROLLER SHALL REPORT  
26 TO THE GOVERNOR AND GENERAL ASSEMBLY THE ESTIMATE AS OF JULY 1 OF THE  
27 FISCAL YEAR FOLLOWING THE SESSION OF GENERAL FUND REVENUES THAT WILL  
28 BE RECEIVED BY THE STATE DURING THAT FISCAL YEAR.

1           (2)     THE COMPTROLLER SHALL BASE THE ESTIMATE ON THE LAST  
2 FORECAST GIVEN TO THE GENERAL ASSEMBLY BEFORE ADJOURNMENT SINE DIE OF  
3 THE REGULAR SESSION ON WHICH THE ADOPTED BUDGET FOR THE FISCAL YEAR IS  
4 BASED, ADJUSTED ONLY INsofar AS NECESSARY TO REFLECT CHANGES IN LAWS  
5 ADOPTED AT THAT SESSION.

6           (3)     THE COMPTROLLER MAY REVISE THE ESTIMATE IF NECESSARY  
7 FOLLOWING ADJOURNMENT SINE DIE OF ANY SPECIAL OR EMERGENCY SESSION OF  
8 THE GENERAL ASSEMBLY, BUT ANY REVISION DOES NOT AFFECT THE BASIS OF THE  
9 COMPUTATION DESCRIBED IN SUBSECTION (C) OF THIS SECTION.

10        (B)     AS SOON AS PRACTICABLE AFTER THE END OF EACH FISCAL YEAR, THE  
11 COMPTROLLER SHALL REPORT TO THE GOVERNOR AND GENERAL ASSEMBLY THE  
12 AMOUNT OF GENERAL FUND REVENUES COLLECTED AS OF THE LAST JUNE 30 OF  
13 THE PRECEDING FISCAL YEAR.

14        (C)     IF THE REVENUES RECEIVED FROM GENERAL FUND REVENUE SOURCES  
15 DURING THE FISCAL YEAR EXCEED THE AMOUNTS ESTIMATED TO BE RECEIVED FOR  
16 THE FISCAL YEAR, AS ESTIMATED AFTER ADJOURNMENT SINE DIE OF THE REGULAR  
17 SESSION AT WHICH THE BUDGET FOR THE FISCAL YEAR WAS PASSED, BY TWO  
18 PERCENT OR MORE, THE TOTAL AMOUNT OF THAT EXCESS, REDUCED BY THE COST  
19 CERTIFIED BY THE COMPTROLLER UNDER SUBSECTION (F) OF THIS SECTION AS  
20 BEING ALLOCABLE TO PAYMENTS UNDER THIS SECTION, SHALL BE PAID TO  
21 INDIVIDUAL INCOME TAXPAYERS IN A PERCENTAGE AMOUNT OF PRIOR YEAR  
22 INCOME TAX LIABILITY AS DETERMINED UNDER SUBSECTION (D) OF THIS SECTION.

23        (D)     (1)     IF THERE IS AN EXCESS TO BE PAID UNDER SUBSECTION (C) OF THIS  
24 SECTION, ON OR BEFORE OCTOBER 15 FOLLOWING THE END OF EACH FISCAL YEAR,  
25 THE COMPTROLLER SHALL DETERMINE THE PERCENTAGE AMOUNT OF PAYMENT,  
26 ROUNDED TO THE NEAREST ONE-HUNDREDTH OF A PERCENT, THAT WILL  
27 DISTRIBUTE THE EXCESS TO BE PAID TO INDIVIDUAL INCOME TAXPAYERS, EQUAL TO  
28 THE FRACTION:

29                   (I)     THE NUMERATOR OF WHICH IS THE TOTAL AMOUNT TO BE  
30 DISTRIBUTED UNDER SUBSECTION (C) OF THIS SECTION; AND

31                   (II)    THE DENOMINATOR OF WHICH IS THE ESTIMATED TOTAL  
32 INDIVIDUAL INCOME TAX LIABILITY FOR ALL INDIVIDUAL INCOME TAXPAYERS FOR  
33 TAX YEARS THAT ENDED DURING THE FISCAL YEAR FOR WHICH THE  
34 DETERMINATION IS MADE.

35           (2)     THE COMPTROLLER SHALL MULTIPLY THE PERCENTAGE AMOUNT  
36 DETERMINED UNDER PARAGRAPH (1) OF THIS SUBSECTION BY THE TOTAL AMOUNT  
37 OF AN INDIVIDUAL INCOME TAXPAYER'S TAX LIABILITY FOR THE TAX YEAR THAT  
38 ENDED DURING THE FISCAL YEAR FOR WHICH THE DETERMINATION IS MADE IN  
39 ORDER TO CALCULATE THE AMOUNT OF THE PAYMENT TO BE MADE TO EACH  
40 TAXPAYER.

1 (3) THE PAYMENTS REQUIRED UNDER THIS SECTION SHALL BE  
2 SUBJECT TO ANY PROVISIONS OF LAW ALLOWING SETOFF OR INTERCEPTION OF  
3 REFUNDS.

4 (4) ON OR BEFORE DECEMBER 1 FOLLOWING THE END OF THE FISCAL  
5 YEAR FOR WHICH PAYMENTS ARE REQUIRED TO BE MADE UNDER THIS SECTION,  
6 THE COMPTROLLER SHALL MAIL THE PAYMENTS TO INDIVIDUAL INCOME  
7 TAXPAYERS ELIGIBLE FOR THE PAYMENTS.

8 (5) NOTWITHSTANDING PARAGRAPH (4) OF THIS SUBSECTION, THE  
9 COMPTROLLER SHALL MAIL PAYMENT AT THE EARLIEST DATE OF PRACTICABLE  
10 CONVENIENCE IN THE CASE OF A RETURN THAT IS FIRST FILED ON OR AFTER  
11 AUGUST 15 AFTER THE END OF THE FISCAL YEAR.

12 (E) NO PAYMENT SHALL BE MADE TO A TAXPAYER IF BASED ON THE  
13 CALCULATION UNDER SUBSECTION (D) OF THIS SECTION THE AMOUNT THAT WOULD  
14 BE PAID TO THE TAXPAYER IS LESS THAN \$10.

15 (F) (1) IF PAYMENTS ARE REQUIRED TO BE MADE UNDER THIS SECTION  
16 FOR A FISCAL YEAR, THE COMPTROLLER SHALL CERTIFY THE COSTS THAT:

17 (I) ARE INCURRED IN CALCULATING AND MAKING THE PAYMENTS;  
18 AND

19 (II) WOULD NOT BE INCURRED BY THE COMPTROLLER BUT FOR  
20 THE REQUIREMENT OF MAKING THE PAYMENTS REQUIRED UNDER THIS SECTION.

21 (2) COSTS SHALL BE CERTIFIED BY THE COMPTROLLER WITHIN 15 DAYS  
22 OF THE DATE THE REPORT UNDER SUBSECTION (B) OF THIS SECTION IS MADE.

23 (G) THIS SECTION SHALL BE APPLICABLE TO ALL FISCAL YEARS OF THE  
24 STATE BEGINNING ON OR AFTER JULY 1, 1999.

25 SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly  
26 determines that the amendment to the Constitution of Maryland proposed by this Act  
27 affects multiple jurisdictions and that the provisions of Article XIV, Section 1 of the  
28 Constitution concerning local approval of constitutional amendments do not apply.

29 SECTION 3. AND BE IT FURTHER ENACTED, That the foregoing section  
30 proposed as an amendment to the Constitution of Maryland shall be submitted to the  
31 legal and qualified voters of this State at the next general election to be held in  
32 November, 1998 for their adoption or rejection in pursuance of directions contained in  
33 Article XIV of the Constitution of this State. At that general election, the vote on this  
34 proposed amendment to the Constitution shall be by ballot, and upon each ballot  
35 there shall be printed the words "For the Constitutional Amendments" and "Against  
36 the Constitutional Amendments," as now provided by law. Immediately after the  
37 election, all returns shall be made to the Governor of the vote for and against the  
38 proposed amendment, as directed by Article XIV of the Constitution, and further  
39 proceedings had in accordance with Article XIV.