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By: **Chairman, Ways and Means Committee (Departmental - Comptroller)**  
Introduced and read first time: January 19, 2000  
Assigned to: Ways and Means

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Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 21, 2000

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Comptroller - Compliance Division - Cost of Administration**

3 FOR the purpose of establishing an administrative cost account to be used to  
4 administer the Compliance Division of the Comptroller's Office; requiring the  
5 Comptroller to distribute certain amounts from certain tax revenues to the  
6 administrative cost account; providing that no funds may be transferred by  
7 budget amendment or in any manner from the administrative cost account to  
8 any other division of the Comptroller's Office; requiring the Comptroller to  
9 submit a certain plan of reorganization of the Compliance Division to the  
10 General Assembly for review; and generally relating to the distribution of  
11 certain tax revenues by the Comptroller and an administrative cost account to  
12 administer the Compliance Division of the Comptroller's Office.

13 BY adding to  
14 Article - Tax - General  
15 Section 2-112  
16 Annotated Code of Maryland  
17 (1997 Replacement Volume and 1999 Supplement)

18 BY repealing and reenacting, with amendments,  
19 Article - Tax - General  
20 Section 2-301, 2-401, 2-605, 2-1302, and 2-1602  
21 Annotated Code of Maryland  
22 (1997 Replacement Volume and 1999 Supplement)

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
24 MARYLAND, That the Laws of Maryland read as follows:

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**Article - Tax - General**

2 2-112.

3 (A) THERE IS AN ADMINISTRATIVE COST ACCOUNT TO BE USED TO  
4 ADMINISTER THE COMPLIANCE DIVISION OF THE COMPTROLLER'S OFFICE,  
5 CONSISTENT WITH THE RESPONSIBILITIES OF THE COMPLIANCE DIVISION AS SET  
6 FORTH IN THE ANNUAL BUDGET BILL.

7 (B) FUNDS MAY NOT BE TRANSFERRED FROM THE ADMINISTRATIVE COST  
8 ACCOUNT BY BUDGET AMENDMENT OR IN ANY MANNER TO ANY OTHER DIVISION OF  
9 THE COMPTROLLER'S OFFICE.

10 (C) BEFORE ANY REORGANIZATION OF THE COMPLIANCE DIVISION OF THE  
11 COMPTROLLER'S OFFICE, THE COMPTROLLER SHALL SUBMIT THE PLAN FOR  
12 REORGANIZATION TO THE GENERAL ASSEMBLY FOR REVIEW.

13 2-301.

14 (a) From the alcoholic beverage tax revenue, the Comptroller shall distribute  
15 the amount necessary to administer the alcoholic beverage tax laws to [an] THE  
16 administrative cost account ESTABLISHED UNDER § 2-112 OF THIS TITLE.

17 (b) After making the distribution required under subsection (a) of this section,  
18 the Comptroller shall distribute the remaining alcoholic beverage tax revenue to the  
19 General Fund of the State.

20 2-401.

21 From the boxing and wrestling tax revenue, the Comptroller shall distribute  
22 each quarter the amount necessary to administer the boxing and wrestling tax laws  
23 in the previous quarter to [an] THE administrative cost account ESTABLISHED  
24 UNDER § 2-112 OF THIS TITLE.

25 2-605.

26 (a) After making the distribution required under § 2-604 of this subtitle, from  
27 the remaining income tax revenue from individuals, the Comptroller shall distribute  
28 the cost of administering the income tax laws to [an] THE administrative cost  
29 account ESTABLISHED UNDER § 2-112 OF THIS TITLE.

30 (b) The Comptroller shall include within the distribution required under this  
31 section the amount necessary for the counties' share of the cost of administering the  
32 income tax laws.

33 (c) The share of administrative costs for each county is the amount equal to  
34 the product of multiplying the cost of administering the income tax laws by a fraction:

35 (1) the numerator of which is the amount of county income tax from  
36 individuals collected and attributable to residents of the county; and

1                   (2)       the denominator of which is the total amount of income tax collected  
2 from individuals and corporations.

3 2-1302.

4       After making the distribution required under § 2-1301 of this subtitle, from the  
5 remaining sales and use tax revenue, the Comptroller shall distribute the amount  
6 necessary to administer the sales and use tax laws to [an] THE administrative cost  
7 account ESTABLISHED UNDER § 2-112 OF THIS TITLE.

8 2-1602.

9       After making the distribution required under § 2-1601 of this subtitle, from the  
10 remaining tobacco tax revenue the Comptroller shall distribute the amount necessary  
11 to administer the tobacco tax laws to [an] THE administrative cost account  
12 ESTABLISHED UNDER § 2-112 OF THIS TITLE.

13       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
14 July 1, 2000.