

SENATE BILL 533

Unofficial Copy  
L2

2000 Regular Session  
0lr2194  
CF 0lr2196

---

By: **Senator McFadden (Baltimore City Administration)**  
Introduced and read first time: February 4, 2000  
Assigned to: Budget and Taxation

---

A BILL ENTITLED

1 AN ACT concerning

2 **Political Subdivisions - Special Grant to a County - Disparity Grant**  
3 **Formula**

4 FOR the purpose of altering the disparity grant formula used by the Comptroller to  
5 determine the amount of a certain grant to a county under certain  
6 circumstances; providing for the application of this Act; and generally relating to  
7 the disparity grant formula used by the Comptroller to give a certain grant to a  
8 county under certain circumstances.

9 BY repealing and reenacting, with amendments,  
10 Article 24 - Political Subdivisions - Miscellaneous Provisions  
11 Section 9-1101  
12 Annotated Code of Maryland  
13 (1998 Replacement Volume and 1999 Supplement)

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

16 **Article 24 - Political Subdivisions - Miscellaneous Provisions**

17 9-1101.

18 (a) (1) For each fiscal year, the Comptroller shall distribute to a county the  
19 amount determined for each county under this section.

20 (2) The amount a county shall receive under this section in any fiscal  
21 year shall be based on the county income tax collected from individuals for the  
22 taxable year that ended in the second prior fiscal year, from returns filed through  
23 August 15 immediately preceding the applicable fiscal year, as determined by the  
24 Comptroller.

25 (b) (1) For each fiscal year, the Comptroller shall determine as rounded to  
26 the nearest cent:

27 (i) The per capita yield of the county income tax for each county,  
28 based on:

1                                   1.       Unless a county income tax rate of other than 50% was in  
2 effect, the receipts described in subsection (a) (2) of this section;

3                                   2.       The population of the county as last projected by the  
4 Department of Health and Mental Hygiene for July 1 of the applicable taxable year or  
5 the latest decennial census for the applicable taxable year; and

6                                   3.       If the county income tax rate is other than 50% in the  
7 applicable taxable year, the receipts described in subsection (a)(2) of this section that  
8 would have been received if a county income tax rate of 50% had been in effect; and

9                                   (ii)     The per capita statewide yield of the county income tax, based  
10 on:

11                                  1.       The total receipts for county income tax described in  
12 subsection (a)(2) of this section for counties with an income tax rate of 50% in effect;

13                                  2.       The State population as last projected by the Department  
14 of Health and Mental Hygiene for July 1 of the applicable taxable year or the latest  
15 decennial census for the applicable taxable year; and

16                                  3.       For counties with an income tax rate of other than 50% in  
17 effect, the total receipts for county income tax described in subsection (a)(2) of this  
18 section that would have been received if a county income tax rate of 50% had been in  
19 effect.

20                                  (2)     If the per capita yield of the county income tax for a county  
21 determined under paragraph (1)(i) of this subsection is less than [75%] 80% of the per  
22 capita statewide yield of the county income tax determined under paragraph (1)(ii) of  
23 this subsection, the Comptroller shall determine the amount that would increase the  
24 county per capita yield to equal [75%] 80% of the statewide per capita yield, as  
25 rounded to the nearest dollar.

26                                  (3)     A county may not receive a distribution under this subsection if the  
27 county tax rate in that county was less than 50%:

28                                  (i)     For the taxable year that ended in the second prior fiscal year;  
29 or

30                                  (ii)    For any subsequent taxable year through the taxable year that  
31 ends in the current fiscal year.

32                                  (c)     The Comptroller shall make payments of the additional amounts provided  
33 under this section quarterly during the fiscal year for which the payment is made.

34       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be  
35 construed only prospectively and may not be applied or interpreted to have any effect  
36 on or application to the calculation of any special grant by the Comptroller before the  
37 effective date of this Act.

1 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 October 1, 2000.