## **SENATE BILL 158**

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24 Comptroller.

(b)

28 based on:

26 the nearest cent:

(1)

(i)

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2003 Regular Session 3lr0891 CF 3lr0892

By: Senator McFadden (By Request - Baltimore City Administration) Introduced and read first time: January 27, 2003 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 counties under certain 6 circumstances; providing for the application of this Act; and generally relating to the disparity grant formula used by the Comptroller to give a certain grant to 7 8 counties under certain circumstances. 9 BY repealing and reenacting, with amendments, Article 24 - Political Subdivisions - Miscellaneous Provisions 10 11 Section 9-1101 12 Annotated Code of Maryland (2001 Replacement Volume and 2002 Supplement) 13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 14 15 MARYLAND, That the Laws of Maryland read as follows: 16 Article 24 - Political Subdivisions - Miscellaneous Provisions 17 9-1101. 18 (1) For each fiscal year, the Comptroller shall distribute to a county the (a) 19 amount determined for each county under this section. 20 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

For each fiscal year, the Comptroller shall determine as rounded to

The per capita yield of the county income tax for each county,

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1 2	1. 2.59% was in effect, the receipts of		ss a county income tax rate of other than [2.54%] subsection (a)(2) of this section;
	2. The population of the county as last projected by the Department of Health and Mental Hygiene for July 1 of the applicable taxable year or the latest decennial census for the applicable taxable year; and		
8	3. If the county income tax rate is other than [2.54%] 2.59% in the applicable taxable year, the receipts described in subsection (a)(2) of this section that would have been received if a county income tax rate of [2.54%] 2.59% and been in effect; and		
10 11	) (ii) The contract on:	e per capita	statewide yield of the county income tax, based
			total receipts for county income tax described in with an income tax rate of [2.54%] 2.59%
	2. The State population as last projected by the Department of Health and Mental Hygiene for July 1 of the applicable taxable year or the latest decennial census for the applicable taxable year; and		
20	3. For counties with an income tax rate of other than [2.54%] 2.59% in effect, the total receipts for county income tax described in subsection (a)(2) of this section that would have been received if a county income tax rate of [2.54%] 2.59% had been in effect.		
24 25 26	(2) If the per capita yield of the county income tax for a county determined under paragraph (1)(i) of this subsection is less than [75%] 77.5% of the per capita statewide yield of the county income tax determined under paragraph (1)(ii) of this subsection, the Comptroller shall determine the amount that would increase the county per capita yield to equal [75%] 77.5% of the statewide per capita yield, as rounded to the nearest dollar.		
28 29	(3) A county may not receive a distribution under this subsection if the county tax rate in that county was less than 2.4%:		
30 31	) (i) Fo	r the taxabl	e year that ended in the second prior fiscal year;
32 33	2 (ii) For a grant of the current fiscal year.	r any subse	quent taxable year through the taxable year that
34 35	(c) The Comptroller shall make payments of the additional amounts provided under this section quarterly during the fiscal year for which the payment is made.		
36 37	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply only prospectively and may not be applied or interpreted to have		

- 1 any effect on or application to the calculation of any special grant by the Comptroller 2 before the effective date of this Act.
- SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 4 October 1, 2003.