
By: **Prince George's County Delegation**

Introduced and read first time: February 9, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Prince George's County - Telecommunications Tax - Distribution of Revenue**
3 **PG 407-06**

4 FOR the purpose of altering the amount of revenue from the sales and use tax on
5 telecommunications service in Prince George's County that must be used for
6 operating expenditures of the county school system; and generally relating to a
7 sales and use tax on telecommunications service in Prince George's County.

8 BY repealing and reenacting, without amendments,
9 Article 24 - Political Subdivisions - Miscellaneous Provisions
10 Section 9-606(a)
11 Annotated Code of Maryland
12 (2005 Replacement Volume)

13 BY repealing and reenacting, with amendments,
14 Article 24 - Political Subdivisions - Miscellaneous Provisions
15 Section 9-606(e)(1)
16 Annotated Code of Maryland
17 (2005 Replacement Volume)

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

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

21 9-606.

22 (a) The County Council for Prince George's County shall impose, by ordinance,
23 and collect a sales and use tax on telecommunications service in Prince George's
24 County at a rate not less than 5%.

25 (e) (1) The net proceeds of the revenue from the tax imposed under this
26 section shall be used as follows:

1 (i) [At least 90% for] FOR operating expenditures of the Prince
2 George's County school system, AN AMOUNT EQUAL TO \$20,000,000 IN FISCAL YEAR
3 2003, ADJUSTED FOR INFLATION IN ACCORDANCE WITH THE CONSUMER PRICE
4 INDEX FOR ALL URBAN CONSUMERS PUBLISHED BY THE UNITED STATES
5 DEPARTMENT OF LABOR FOR THE FISCAL YEAR PRECEDING THE YEAR FOR WHICH
6 THE AMOUNT IS BEING CALCULATED; and

7 (ii) The remainder for:

8 1. Cash payments for capital expenditures for school
9 renovation projects approved by the Prince George's County Board of Education and
10 the county; or

11 2. Payment of debt service on bonds issued by the governing
12 body of Prince George's County for school renovation projects approved by the Prince
13 George's County Board of Education and the county.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 June 1, 2006.