

SENATE BILL 537

Q7, Q1, Q3

8lr1540

By: **Senator Pipkin**

Introduced and read first time: February 1, 2008

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Tax Reduction Act**

3 FOR the purpose of repealing certain provisions requiring the Governor to include
4 certain appropriations in the budget bill for each fiscal year; repealing a
5 requirement that the Client Protection Fund of the Bar of Maryland impose
6 certain tax clearance requirements on lawyers relating to the payment of
7 certain annual fees; altering the distribution of the corporate income tax
8 revenue; altering the distribution of the sales and use tax revenue; repealing
9 the State admissions and amusement tax imposed on the net proceeds derived
10 from the operation of certain bingo games and tip jars; repealing certain
11 recordation and transfer taxes imposed on the transfer of a controlling interest
12 in certain entities owning certain interests in real property in Maryland;
13 altering the distribution of the motor fuel tax revenue; altering the maximum
14 rate of the admissions and amusement tax that a county or municipal
15 corporation may set for gross receipts that are also subject to the State sales
16 and use tax; altering the rates and rate brackets under the State income tax on
17 individuals; altering the rate of the State corporate income tax; altering the
18 application of the income tax rates to nonresidents; altering the amount allowed
19 as a deduction for certain exemptions under the Maryland income tax; imposing
20 a certain restriction on eligibility to claim a refundable earned income credit
21 under certain circumstances; altering the percentage of the federal earned
22 income credit used for determining the amount that certain individuals may
23 claim as a refundable credit under the Maryland earned income credit under
24 certain circumstances; altering eligibility for and the calculation of a refundable
25 county earned income credit if a county provides a refundable county earned
26 income credit; altering the definition of "taxable service" under the sales and
27 use tax to repeal the tax on certain computer services; altering the rate of the
28 sales and use tax; altering the percentage of gross receipts from vending
29 machine sales to which the sales and use tax rate applies; repealing a certain
30 limit on a certain credit relating to collecting and paying the sales and use tax;
31 providing certain sales and use tax exemptions relating to certain computer

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 services and certain computer software maintenance contracts; altering the
2 tobacco tax rate for cigarettes; altering the maximum allowable aggregate
3 amount of outstanding and unpaid consolidated transportation bonds and bonds
4 of prior issues; altering certain provisions for the pledging of certain revenues
5 for certain purposes; altering the distribution of certain revenues to a certain
6 account in the Transportation Trust Fund; altering the distribution of certain
7 revenues received under the Maryland Vehicle Law; altering the distribution of
8 revenue collected from certain special license tax fees; altering the distribution
9 of revenue collected from certain security interest filing fees; providing that the
10 Motor Vehicle Administration shall determine the amount of certain fees
11 imposed for issuance of a certificate of title for a motor vehicle; altering the
12 definition of "total purchase price" for purposes of the motor vehicle excise tax;
13 altering the rate of the motor vehicle excise tax; repealing a certain termination
14 date; repealing a certain definition; providing for the application of this Act; and
15 generally relating to Maryland taxes and revenues.

16 BY repealing

17 Article 24 – Political Subdivisions – Miscellaneous Provisions

18 Section 9–1104

19 Annotated Code of Maryland

20 (2005 Replacement Volume and 2007 Supplement)

21 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
22 Special Session)

23 BY repealing

24 Article – Business Occupations and Professions

25 Section 10–313(c)

26 Annotated Code of Maryland

27 (2004 Replacement Volume and 2007 Supplement)

28 (As enacted by Chapter 3 of the Acts of the General Assembly of the 2007
29 Special Session)

30 BY repealing

31 Article – Natural Resources

32 Section 4–209(k)

33 Annotated Code of Maryland

34 (2005 Replacement Volume and 2007 Supplement)

35 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
36 Special Session)

37 BY repealing

38 Article – Natural Resources

39 Section 8–707(d)

40 Annotated Code of Maryland

41 (2007 Replacement Volume)

42 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
43 Special Session)

1 BY repealing
2 Article – Tax – General
3 Section 2–613.1 and 11–101(c–1)
4 Annotated Code of Maryland
5 (2004 Replacement Volume and 2007 Supplement)
6 (As enacted by Chapter 3 of the Acts of the General Assembly of the 2007
7 Special Session)

8 BY repealing
9 Article – Tax – General
10 Section 2–1302.2, 4–102(d), and 4–105(a–1)
11 Annotated Code of Maryland
12 (2004 Replacement Volume and 2007 Supplement)
13 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
14 Special Session)

15 BY repealing
16 Article – Tax – Property
17 Section 12–117 and 13–103
18 Annotated Code of Maryland
19 (2007 Replacement Volume)
20 (As enacted by Chapter 3 of the Acts of the General Assembly of the 2007
21 Special Session)

22 BY repealing
23 Chapter 3 of the Acts of the General Assembly of the 2007 Special Session
24 Section 8, 9, and 11

25 BY repealing and reenacting, with amendments,
26 Article – Tax – General
27 Section 2–106(f), 2–614(a), 2–615, 10–105, 10–211, 10–601, 10–704(b)(2) and
28 (c)(2)(i) and (iii), 11–101(m), 11–105, and 11–219
29 Annotated Code of Maryland
30 (2004 Replacement Volume and 2007 Supplement)
31 (As enacted by Chapter 3 of the Acts of the General Assembly of the 2007
32 Special Session)

33 BY repealing and reenacting, with amendments,
34 Article – Tax – General
35 Section 2–202, 2–1104, 2–1302.1, 2–1303, 4–105(b), 11–104(a) and (b), 11–301,
36 and 12–105(a)
37 Annotated Code of Maryland
38 (2004 Replacement Volume and 2007 Supplement)
39 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
40 Special Session)

41 BY repealing and reenacting, with amendments,
42 Article – Tax – Property

1 Section 12-110(d)(2)
2 Annotated Code of Maryland
3 (2007 Replacement Volume)
4 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
5 Special Session)

6 BY repealing and reenacting, with amendments,
7 Article – Transportation
8 Section 3-202(b), 3-215(b)(4), and 8-402(b)(2)
9 Annotated Code of Maryland
10 (2001 Replacement Volume and 2007 Supplement)
11 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
12 Special Session)

13 BY adding to
14 Article – Transportation
15 Section 13-208 and 13-613(e)
16 Annotated Code of Maryland
17 (2006 Replacement Volume and 2007 Supplement)
18 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
19 Special Session)

20 BY repealing and reenacting, with amendments,
21 Article – Transportation
22 Section 13-613(d), 13-802, and 13-809(a)(3) and (c)(1)
23 Annotated Code of Maryland
24 (2006 Replacement Volume and 2007 Supplement)
25 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
26 Special Session)

27 BY repealing and reenacting, with amendments,
28 Chapter 3 of the Acts of the General Assembly of the 2007 Special Session
29 Section 13

30 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
31 MARYLAND, That Section(s) 9-1104 of Article 24 – Political Subdivisions –
32 Miscellaneous Provisions of the Annotated Code of Maryland (as enacted by Chapter 6
33 of the Acts of the General Assembly of the 2007 Special Session) be repealed.

34 SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 10-313(c) of
35 Article – Business Occupations and Professions of the Annotated Code of Maryland (as
36 enacted by Chapter 3 of the Acts of the General Assembly of the 2007 Special Session)
37 be repealed.

38 SECTION 3. AND BE IT FURTHER ENACTED, That Section(s) 4-209(k) and
39 8-707(d) of Article – Natural Resources of the Annotated Code of Maryland (as
40 enacted by Chapter 6 of the Acts of the General Assembly of the 2007 Special Session)
41 be repealed.

1 SECTION 4. AND BE IT FURTHER ENACTED, That Section(s) 2-613.1,
2 2-1302.2, 4-102(d), 4-105(a-1), and 11-101(c-1) of Article – Tax – General of the
3 Annotated Code of Maryland (as enacted by Chapters 3 and 6 of the Acts of the
4 General Assembly of the 2007 Special Session) be repealed.

5 SECTION 5. AND BE IT FURTHER ENACTED, That Section(s) 12-117 and
6 13-103 of Article – Tax – Property of the Annotated Code of Maryland (as enacted by
7 Chapter 3 of the Acts of the General Assembly of the 2007 Special Session) be
8 repealed.

9 SECTION 6. AND BE IT FURTHER ENACTED, That Section(s) 8, 9, and 11 of
10 Chapter 3 of the Acts of the General Assembly of the 2007 Special Session be repealed.

11 SECTION 7. AND BE IT FURTHER ENACTED, That the Laws of Maryland
12 read as follows:

13 **Article – Tax – General**

14 2-106.

15 (f) The total income tax required to be withheld on wages for purposes of the
16 withholding tables and withholding schedules under this section shall be calculated
17 without regard to the marginal State income tax rates less than 4.75% set forth under
18 [§ 10-105(a)(1)(i) through (iii) and (2)(i) through (iii)] **§ 10-105(A)(1) THROUGH (3)**
19 of this article.

20 2-202.

21 After making the distribution required under § 2-201 of this subtitle, within 20
22 days after the end of each quarter, the Comptroller shall distribute[:]

23 (1) the revenue from the State admissions and amusement tax on
24 electronic bingo and electronic tip jars under § 4-102(d) of this article to the General
25 Fund of the State; and

26 (2)] the remaining admissions and amusement tax revenue:

27 [(i)] (1) to the Maryland Stadium Authority, county, or
28 municipal corporation that is the source of the revenue; or

29 [(ii)] (2) if the Maryland Stadium Authority and also a county
30 or municipal corporation tax a reduced charge or free admission:

31 [1.] (I) 80% of that revenue to the Authority; and

32 [2.] (II) 20% to the county or municipal corporation.

1 2-614.

2 (a) After making the [distributions] **DISTRIBUTION** required under §§
3 2-613 and 2-613.1] § **2-613** of this subtitle, the Comptroller shall distribute monthly
4 24% of the remaining income tax revenue from corporations to a special fund to be
5 distributed as provided in subsection (b) of this section.

6 2-615.

7 After making the distributions required under §§ 2-613[2-613.1,] and 2-614
8 of this subtitle, the Comptroller shall distribute the remaining income tax revenue
9 from corporations to the General Fund of the State.

10 2-1104.

11 After making the distributions required under §§ 2-1101 through 2-1103 of this
12 subtitle, from the remaining motor fuel tax revenue, the Comptroller shall distribute:

13 (1) **0.3% TO THE WATERWAY IMPROVEMENT FUND;**

14 (2) **0.3% TO THE FISHERIES RESEARCH AND DEVELOPMENT**
15 **FUND;**

16 [(1)] (3) 2.3% to the Chesapeake Bay 2010 Trust Fund; and

17 [(2)] (4) any remaining balance to the Gasoline and Motor Vehicle
18 Revenue Account of the Transportation Trust Fund.

19 2-1302.1.

20 After making the distributions required under §§ 2-1301 and 2-1302 of this
21 subtitle, **THE COMPTROLLER MONTHLY SHALL DISTRIBUTE 45%** of the sales and
22 use tax collected on short-term vehicle rentals under § 11-104(c) of this article [the
23 Comptroller shall distribute:

24 (1) 45%] to the Transportation Trust Fund established under § 3-216
25 of the Transportation Article[; and

26 (2) the remainder to the Chesapeake Bay 2010 Trust Fund].

27 2-1303.

28 After making the distributions required under §§ 2-1301 through [2-1302.2]
29 **2-1302.1** of this subtitle, the Comptroller shall pay:

1 (1) revenues from the hotel surcharge into the Dorchester County
2 Economic Development Fund established under Article 83A, § 5-216 of the Code; and

3 (2) the remaining sales and use tax revenue into the General Fund of
4 the State.

5 4-105.

6 (b) If gross receipts subject to the admissions and amusement tax are also
7 subject to the sales and use tax, a county or a municipal corporation may not set a rate
8 so that, when combined with the sales and use tax, the total tax rate will exceed [11%]
9 **10%** of the gross receipts.

10 10-105.

11 (a) [1] For an individual other than an individual described in paragraph
12 (2) of this subsection, the] **THE** State income tax rate is:

13 [(i)] (1) 2% of Maryland taxable income of \$1 through \$1,000;

14 [ii] (2) 3% of Maryland taxable income of \$1,001 through
15 \$2,000;

16 [(iii)] (3) 4% of Maryland taxable income of \$2,001 through
17 \$3,000; AND

18 [(iv)] (4) 4.75% of Maryland taxable income [of \$3,001 through
19 \$150,000;] **IN EXCESS OF \$3,000.**

20 [v) 5% of Maryland taxable income of \$150,001 through
21 \$300,000;

22 (vi) 5.25% of Maryland taxable income of \$300,001 through
23 \$500,000; and

24 (vii) 5.5% of Maryland taxable income in excess of \$500,000.

25 (2) For spouses filing a joint return or for a surviving spouse or head of
26 household as defined in § 2 of the Internal Revenue Code, the State income tax rate is:

27 (i) 2% of Maryland taxable income of \$1 through \$1,000;

28 (ii) 3% of Maryland taxable income of \$1,001 through \$2,000;

29 (iii) 4% of Maryland taxable income of \$2,001 through \$3,000;

1 (iv) 4.75% of Maryland taxable income of \$3,001 through
2 \$200,000;

3 (v) 5% of Maryland taxable income of \$200,001 through
4 \$350,000;

5 (vi) 5.25% of Maryland taxable income of \$350,001 through
6 \$500,000; and

7 (vii) 5.5% of Maryland taxable income in excess of \$500,000.]

10 (c) For a husband and wife filing a joint income tax return, the rates
11 specified in subsection (a) of this section apply to the joint Maryland taxable income of
12 the husband and wife.

13 [(d) For a nonresident:

17 (2) the State income tax imposed equals the result obtained under
18 item (1) of this subsection multiplied times a fraction:

25 10-211.

26 [(a) Except as provided in subsection (b) of this section, whether] **WHETHER**
27 or not a federal return is filed, to determine Maryland taxable income, an individual
28 other than a fiduciary may deduct as an exemption:

4 (3) an additional \$1,000 if the individual, on the last day of the taxable
5 year, is at least 65 years old; and

(4) an additional \$1,000 if the individual, on the last day of the taxable year, is a blind individual, as described in § 10-208(c) of this subtitle.

8 [(b) (1) If an individual other than one described in subsection (c) of this
9 section has federal adjusted gross income for the taxable year greater than \$100,000,
10 the amount allowed for each exemption under subsection (a)(1) or (2) of this section is
11 limited to:

12 (i) \$2,400 if federal adjusted gross income for the taxable year
13 does not exceed \$125,000;

18 (iv) \$600 if federal adjusted gross income for the taxable year is
19 greater than \$200,000.

25 (i) \$2,400 if federal adjusted gross income for the taxable year
26 does not exceed \$175,000;

27 (ii) \$1,800 if federal adjusted gross income for the taxable year
28 is greater than \$175,000 but not greater than \$200,000;

29 (iii) \$1,200 if federal adjusted gross income for the taxable year
30 is greater than \$200,000 but not greater than \$250,000; and

31 (iv) \$600 if federal adjusted gross income for the taxable year is
32 greater than \$250,000.]

1 Except as [provided in § 10-105(d) of this title and except as] otherwise
2 provided in this subtitle, a person shall compute the State income tax by applying the
3 tax rates in § 10-105 of this title to Maryland taxable income.

4 10-704.

5 (b) (2) An individual **WITH ONE OR MORE DEPENDENTS THAT MAY BE**
6 **CLAIMED AS EXEMPTIONS** may claim a refund in the amount, if any, by which [25%]
7 **20%** of the earned income credit allowable for the taxable year under § 32 of the
8 Internal Revenue Code exceeds the State income tax for the taxable year.

18 11-101.

19 (m) "Taxable service" means:

20 (1) fabrication, printing, or production of tangible personal property by
21 special order;

22 (2) commercial cleaning or laundering of textiles for a buyer who is
23 engaged in a business that requires the recurring service of commercial cleaning or
24 laundering of the textiles;

25 (3) cleaning of a commercial or industrial building;

26 (4) cellular telephone or other mobile telecommunications service;

(5) "900", "976", "915", and other "900"-type telecommunications service;

29 (6) custom calling service provided in connection with basic telephone
30 service;

31 (7) a telephone answering service;

32 (8) pay per view television service;

- 1 (9) credit reporting;
- 2 (10) a security service, including:
 - 3 (i) a detective, guard, or armored car service; and
 - 4 (ii) a security systems service;
- 5 (11) a transportation service for transmission, distribution, or delivery
- 6 of electricity or natural gas, if the sale or use of the electricity or natural gas is subject
- 7 to the sales and use tax; **OR**
- 8 (12) a prepaid telephone calling arrangement[; or
- 9 (13) a computer service].

10 11–104.

- 11 (a) Except as otherwise provided in this section, the sales and use tax rate is:
- 12 (1) for a taxable price of less than \$1:
 - 13 (i) 1 cent if the taxable price is 20 cents;
 - 14 (ii) [2 cents if the taxable price is at least 21 cents but less than
 - 15 34 cents] **1 CENT FOR EACH ADDITIONAL 20 CENTS OR PART OF 20 CENTS; AND**
 - 16 [(iii) 3 cents if the taxable price is at least 34 cents but less than
 - 17 51 cents;
 - 18 (iv) 4 cents if the taxable price is at least 51 cents but less than
 - 19 67 cents;
 - 20 (v) 5 cents if the taxable price is at least 67 cents but less than
 - 21 84 cents; and
 - 22 (vi) 6 cents if the taxable price is at least 84 cents; and]
- 23 (2) for a taxable price of \$1 or more:
 - 24 (i) [6] **5 cents for each exact dollar; and**
 - 25 (ii) [for that part of a dollar] **1 CENT FOR EACH 20 CENTS OR**
 - 26 **PART OF 20 CENTS** in excess of an exact dollar[:
- 27 1. 1 cent if the excess over an exact dollar is at least 1
- 28 cent but less than 17 cents;

11 (b) If a retail sale of tangible personal property or a taxable service is made
12 through a vending or other self-service machine, the sales and use tax rate is [6%]
13 **5%**, applied to [94.5%] **95.25%** of the gross receipts from the vending machine sales.

14 11-105.

19 (2) The credit allowed under this section does not apply to any sales
20 and use tax that a vendor is required to pay to the Comptroller for any purchase or use
21 that the vendor makes that is subject to the tax.

22 (b) (1) Subject to paragraph (2) of this subsection, the credit allowed
23 under this section is 1.2% of the first \$6,000 of the gross amount of sales and use tax
24 that the vendor is to pay with each return.

25 (2) For a vendor who files or is eligible to file a consolidated return
26 under § 11–502 of this title, the credit allowed under paragraph (1) of this subsection
27 is 1.2% of the first \$6,000 of the gross amount of sales and use tax that the vendor is or
28 would be required to pay with the consolidated return.

29 (c) From January 3, 2008 through June 30, 2011:

30 (1) the credit allowed under subsection (a) of this section may not
31 exceed \$500 for each return; and

4 11-219.

7 (1) is not a taxable service; and

(2) involves a sale as an inconsequential element for which no separate charge is made.

10 (b) The sales and use tax does not apply to a sale of [computer services for
11 use by an individual participating in a home school program as an alternative to
12 attendance at public or private school for elementary or secondary education]
13 **CUSTOM COMPUTER SOFTWARE SERVICES RELATING TO PROCEDURES AND**
14 **PROGRAMS THAT:**

(1) OTHERWISE ARE TAXABLE UNDER THIS TITLE:

16 (2) ARE TO BE USED BY A SPECIFIC PERSON:

17 (3) (I) ABE CREATED FOR THAT PERSON; OR

18 (II) CONTAIN STANDARD OR PROPRIETARY ROUTINES THAT
19 INCORPORATE SIGNIFICANT CREATIVE INPUT TO CUSTOMIZE THE PROCEDURES
20 AND PROGRAMS FOR THAT PERSON; AND

21 (4) DO NOT CONSTITUTE A PROGRAM, PROCEDURE, OR
22 DOCUMENTATION THAT IS MASS PRODUCED AND SOLD TO:

23 (I) THE GENERAL PUBLIC: OB

24 (II) PERSONS ASSOCIATED IN A TRADE, PROFESSION, OR
25 INDUSTRY

26 (C) THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF AN
27 OPTIONAL COMPUTER SOFTWARE MAINTENANCE CONTRACT IF THE BUYER
28 DOES NOT HAVE A RIGHT, AS PART OF THE CONTRACT, TO RECEIVE AT NO
29 ADDITIONAL COST SOFTWARE PRODUCTS THAT ARE SEPARATELY PRICED AND
30 MARKETED BY THE VENDOR.

1 [(c)] (D) The sales and use tax does not apply to the use of a taxable service
2 obtained by using a prepaid telephone calling arrangement.

3 11-301.

4 The sales and use tax is computed on:

5 (1) the taxable price of each separate sale;

(3) if retail sales of tangible personal property or a taxable service are made through vending or other self-service machines, [94.5%] **95.25%** of the gross receipts from the retail sales.

11 12–105.

12 (a) The tobacco tax rate for cigarettes is:

13 (1) **[\$1.00] 50 CENTS** for each package of 10 or fewer cigarettes;

14 (2) [\$2.00] **\$1.00** for each package of at least 11 and not more than 20
15 cigarettes;

16 (3) [10.0] **5.0** cents for each cigarette in a package of more than 20
17 cigarettes; and

18 (4) [10.0] **5.0** cents for each cigarette in a package of free sample
19 cigarettes.

Article - Tax - Property

21 12-110.

22 (d) (2) After deducting the revenues required under paragraph (1) of this
23 subsection, the recordation tax collected under [§§ 12–103(d) and 12–117] §
24 **12–103(D)** of this title shall be paid to the Comptroller. The Comptroller shall
25 distribute the revenue to the counties in the ratio that the recordation tax collected in
26 the prior fiscal year in each county bears to the total recordation tax collected in all
27 counties in that year.

Article - Transportation

29 3-202.

5 3-215.

6 (b) The tax levied and imposed by this section consists of that part of the
7 following taxes that are retained to the credit of the Department after distributions to
8 the political subdivisions:

(4) The sales and use tax revenues distributed under [§§ 2-1302.1 and 2-1302.2] **§ 2-1302.1** of the Tax – General Article.

11 8-402.

12 (b) All revenues collected from the following, after deductions provided by
13 law, shall be credited to the Gasoline and Motor Vehicle Revenue Account:

14 (2) Except as otherwise provided by law, [two-thirds] **80%** of the
15 vehicle titling tax;

16 13-208.

17 (A) OF EACH FILING FEE RECEIVED UNDER THIS SUBTITLE, THE
18 ADMINISTRATION SHALL DEPOSIT \$14 IN THE GENERAL FUND.

19 (B) FOR EACH FISCAL YEAR, THE COMPTROLLER SHALL DISTRIBUTE TO
20 BALTIMORE CITY AN AMOUNT EQUAL TO \$5 FOR EACH FILING FEE RECEIVED
21 UNDER THIS SUBTITLE.

22 13=613

23 (d) [The] EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION,
24 OF THE proceeds collected annually from the additional fees charged under this
25 section [shall be distributed to the Transportation Trust Fund]:

30 (2) THE NEXT \$200,000 SHALL BE USED SOLELY FOR THE
31 PURPOSES OF THE SCHOLARSHIP PROGRAM AUTHORIZED BY §§ 18-1101
32 THROUGH 18-1105 OF THE EDUCATION ARTICLE: AND

(3) EXCEPT AS OTHERWISE PROVIDED BY LAW, ANY BALANCE SHALL BE DISTRIBUTED TO THE GENERAL FUND OF THE STATE.

(E) (1) THE ADMINISTRATION SHALL KEEP \$12.50 OF THE FEE PAYABLE WITH THE ORIGINAL APPLICATION FOR SPECIAL REGISTRATION UNDER THIS SECTION TO RECOVER THE ADMINISTRATIVE AND PRODUCTION COSTS OF THE SPECIAL REGISTRATION.

(2) FUNDS KEPT BY THE ADMINISTRATION UNDER THIS SUBSECTION MAY NOT BE CREDITED TO THE GASOLINE AND MOTOR VEHICLE REVENUE ACCOUNT FOR DISTRIBUTION UNDER § 8-403 OR § 8-404 OF THIS ARTICLE.

11 13-802.

12 [Except as provided in § 13–805 of this subtitle, the fee for each certificate] **THE**
13 **FEES FOR CERTIFICATES** of title issued under this title [is \$50] **SHALL BE**
14 **DETERMINED BY THE ADMINISTRATION.**

15 13-809.

20 (c) (1) Except as provided in subsection (b)(2) of this section, the tax
21 imposed by this section is [6] 5 percent of the fair market value of the vehicle.

Chapter 3 of the Acts of the 2007 Special Session

23 SECTION 13. AND BE IT FURTHER ENACTED, That Section 3 of this Act
24 shall take effect July 1, 2008. [Section 3 shall remain effective for a period of 5 years
25 and, at the end of June 30, 2013, with no further action required by the General
26 Assembly, Section 3 of this Act shall be abrogated and of no further force and effect.]

27 SECTION 8. AND BE IT FURTHER ENACTED, That §§ 10-105, 10-211, and
28 10-704 of the Tax – General Article as enacted by Section 7 of this Act shall be
29 applicable to all taxable years beginning after December 31, 2007.

30 SECTION 9. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 July 1, 2008.