

SB0523/499033/1

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 523, AS AMENDED

(First Reading File Bill)

AMENDMENT NO. 1

On page 1 of the Budget and Taxation Committee Amendments (SB0523/659438/1), in line 2 of Amendment No. 1, after “State and Local Revenue” insert “and Financing”; and in line 17, after “manner;” insert “altering certain grants to counties under the Aging Schools Program for certain fiscal years; providing for the distribution of certain income tax revenue in a certain manner; altering certain maintenance of effort amounts required for a certain fiscal year under certain circumstances;”.

On page 2 of the Budget and Taxation Committee Amendments, in line 3 of Amendment No. 1, strike “altering certain taxes and fees” and substitute “state and local revenues and finances”; in line 12, after “Section” insert “2-608.2 and”; and after line 19, insert:

“BY repealing and reenacting, with amendments,

Article – Education

Section 5-206(f)(2)

Annotated Code of Maryland

(2008 Replacement Volume and 2011 Supplement)

(As enacted by Chapter ____ (S.B. 152) of the Acts of the General Assembly of 2012)”.

On page 1 of the bill, in line 10, after “Section” insert “2-609.”; and in the same line, after “10-105(a)” insert “and (d)”.

AMENDMENT NO. 2

On page 1 of the bill, in line 17, strike the brackets; and in the same line, strike “**FOR**”.

(Over)

On page 2 of the bill, in line 4, after “\$300,000;” insert “**AND**”; strike beginning with “; and” in line 6 down through “\$500,000” in line 8; in line 9, strike the brackets; in the same line, strike “**FOR**”; in line 18, after “350,000;” insert “**AND**”; and strike beginning with “; and” in line 20 down through “\$500,000” in line 22.

On page 3 of the Budget and Taxation Committee Amendments, in lines 8 and 15 of Amendment No. 2, in each instance, strike “**(IX)**”.

AMENDMENT NO. 3

On page 3 of the bill, in line 4, after “\$1,000,000.】” insert:

“(3) THE STATE INCOME TAX RATE IS 5.75% APPLIED TO ALL OF THE INDIVIDUAL’S MARYLAND TAXABLE INCOME IF AN INDIVIDUAL HAS MARYLAND TAXABLE INCOME IN EXCESS OF \$500,000.

(d) (1) [For] SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, FOR a nonresident:

[(1)] (I) the rates specified in subsection (a) of this section apply to the nonresident’s Maryland taxable income, calculated without regard to the subtractions under § 10–210(b), (e), and (f) of this title; and

[(2)] (II) the State income tax imposed equals the result obtained under item [(1) of this subsection] (I) OF THIS PARAGRAPH multiplied times a fraction:

(i) the numerator of which is the nonresident’s Maryland taxable income, calculated with the subtractions under § 10–210(b), (e), and (f) of this title; and

(ii) the denominator of which is the nonresident’s Maryland taxable income, calculated without regard to the subtractions under § 10–210(b), (e), and (f) of this title.

(2) IF A NONRESIDENT HAS MARYLAND TAXABLE INCOME, CALCULATED WITHOUT REGARD TO THE SUBTRACTIONS UNDER § 10-210(B), (E), AND (F) OF THIS TITLE, IN EXCESS OF \$500,000, THE STATE INCOME TAX IMPOSED EQUALS THE STATE INCOME TAX RATE SPECIFIED IN SUBSECTION (A)(3) OF THIS SECTION APPLIED TO ALL OF THE NONRESIDENT’S MARYLAND TAXABLE INCOME, CALCULATED WITH THE SUBTRACTIONS UNDER § 10-210(B), (E), AND (F) OF THIS TITLE.”.

AMENDMENT NO. 4

On page 9 of the Budget and Taxation Committee Amendments, after line 3 of Amendment No. 7, insert:

“Article – Education

5-206.

(f) (2) In fiscal year 2013 and in each fiscal year thereafter, the funding level for a county is the following amounts for the following counties:

- (i) Allegany County.....[\$97,791]\$478,000;
- (ii) Anne Arundel County.....[\$506,038]\$2,472,000;
- (iii) Baltimore City.....[\$1,387,924]\$6,781,000;
- (iv) Baltimore County.....[\$874,227]\$5,874,000;

(Over)

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- (v) Calvert County.....[\$38,292]**\$187,000;**
- (vi) Caroline County.....[\$50,074]**\$245,000;**
- (vii) Carroll County.....[\$137,261]**\$670,000;**
- (viii) Cecil County.....[\$96,024]**\$469,000;**
- (ix) Charles County.....[\$50,074]**\$245,000;**
- (x) Dorchester County.....[\$38,292]**\$187,000;**
- (xi) Frederick County.....[\$182,622]**\$893,000;**
- (xii) Garrett County.....[\$38,292]**\$187,000;**
- (xiii) Harford County.....[\$217,379]**\$1,062,000;**
- (xiv) Howard County.....[\$87,776]**\$429,000;**
- (xv) Kent County.....[\$38,292]**\$187,000;**
- (xvi) Montgomery County.....[\$602,651]**\$4,603,000;**
- (xvii) Prince George’s County.....[\$1,209,426]**\$5,909,000;**
- (xviii) Queen Anne’s County.....[\$50,074]**\$245,000;**
- (xix) St. Mary’s County.....[\$50,074]**\$245,000;**
- (xx) Somerset County.....[\$38,292]**\$187,000;**

- (xxi) Talbot County.....[\$38,292]\$187,000;
- (xxii) Washington County.....[\$134,904]\$659,000;
- (xxiii) Wicomico County.....[\$106,627]\$521,000;

and

- (xxiv) Worcester County.....[\$38,292]\$187,000.”.

On page 10 of the Budget and Taxation Committee Amendments, after line 2 of Amendment No. 7, insert:

“Article – Tax – General

2-608.2.

(A) FOR FISCAL YEAR 2013, AFTER MAKING THE DISTRIBUTION REQUIRED UNDER § 2-604 THROUGH § 2-608.1 OF THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE \$3,000,000 TO ELIGIBLE MUNICIPALITIES IN ACCORDANCE WITH THE ALLOCATION UNDER § 8-405 OF THE TRANSPORTATION ARTICLE.

(B) A DISTRIBUTION UNDER SUBSECTION (A) OF THIS SECTION MAY ONLY BE USED FOR THE PURPOSES SPECIFIED IN § 8-408 OF THE TRANSPORTATION ARTICLE.

2-609.

(Over)

After making the distributions required under §§ 2-604 through [2-608.1] 2-608.2 of this subtitle, the Comptroller shall distribute the remaining income tax revenue from individuals to the General Fund of the State.”.

AMENDMENT NO. 5

On page 11 of the Budget and Taxation Committee Amendments, after line 3 of Amendment No. 11, insert:

“SECTION 10. AND BE IT FURTHER ENACTED, That, for fiscal year 2016, the additional maintenance of effort amount for a county required in Ch. ____ (S.B. 152) of the Acts of the General Assembly of 2012 shall be reduced by the amount that total funding for the Aging Schools Program exceeds \$6,100,000 in fiscal year 2016, multiplied by the proportion for that county of the total allocation under Section 4 of this Act.”;

in lines 4, 6, and 9, strike “10.”, “11.”, and “12.”, respectively, and substitute “11.”, “12.”, and “13.”, respectively.