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**BILL NO.:**           **HB 621**

**TITLE:**             County Tax Fairness Act

**SPONSOR:**         Delegate Korman

**COMMITTEE:**      Appropriations

**POSITION:**       **SUPPORT**

**DATE:**             February 18, 2020

Baltimore County **SUPPORTS** House Bill 621 – County Tax Fairness Act. This bill would expand from 20 to 80 the number of tax distributions from which the Comptroller withholds funds owed by local governments to the Local Reserve Account as a result of *Comptroller of the Treasury of Maryland v. Wynne*.

The State of Maryland is under obligation to comply with a U.S. Supreme Court decision which found that, at the time of the case, Maryland’s tax scheme posed a risk of multiple taxation. As a result, the Comptroller must pay refunds and interest from the Local Reserve Account, which are reimbursed by local governments for their share of the refunds and interest. Currently, if a local government does not reimburse the Local Reserve Account in a “timely fashion,” the Comptroller is empowered to withhold the amount owed from quarterly income tax distributions in 20 equal installments. By increasing the number of tax distributions from 20 to 80, Baltimore County would stand to benefit by receiving increased funding in its tax distributions than it would under current law.

Accordingly, Baltimore County requests a **FAVORABLE** report on HB 621. For more information, please contact Chuck Conner, Chief Legislative Officer, at 443-900-6582.