

MD S 192, Introduced

Maryland

AN ACT concerning

Legislative History and Analysis Changes in Bill text reflected as:

~~Text Deleted~~

Text Added

~~Text Vetoed~~

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Introduced January 15, 2020 Miller T

SENATE BILL 192

By: The President (By Request - Administration) Introduced and read first time: January 15, 2020
Assigned to: Budget and Taxation

A BILL ENTITLED

Budget Reconciliation and Financing Act of 2020

FOR the purpose of repealing a requirement that the Comptroller publish, in a certain manner, certain notices regarding persons appearing to be the owners of abandoned property; requiring the Comptroller to establish and maintain a certain abandoned property database and publish notice of the database in a certain manner; expanding the authorized uses of certain funds; altering, for certain fiscal years, the total State operating fund per full-time equivalent student for certain community colleges that the Governor is required to request; altering, for certain fiscal years, the total State operating funds required to be distributed to certain community colleges; authorizing, rather than requiring, the Governor to include in certain budgets certain appropriations; altering,

for certain fiscal years, the annual apportionment for each institution that qualifies for aid under the Joseph A. Sellinger Program; repealing a requirement that the Governor include certain appropriations in the budget each year; reducing the rate increase for certain service providers the Governor is required to include in a certain budget; altering the amount the Governor is authorized to appropriate to a certain fund in certain budgets; limiting the amount of a certain subsidy that a certain commission may receive each fiscal year; requiring that a certain subsidy for a certain program must be at least a certain amount each fiscal year; reducing the amount the State is required to appropriate in the State budget as a payment to a certain city for certain services; repealing a requirement that a certain appropriation to a certain city be increased each year by a certain amount; providing that for certain fiscal years a certain revenue estimate adjustment made by the Bureau of Revenue Estimates may not exceed certain amounts; authorizing the Governor to provide copies of certain budget books in print or electronic form; requiring that certain information be provided in a certain manner on the Department of Budget and Management's website; repealing a requirement that the Governor submit certain budget books and provide certain information in a certain manner; altering a requirement that for a certain fiscal year the Governor include in the budget bill a certain appropriation to the accumulation funds of the State Retirement and Pension System; repealing a requirement that if certain revenues exceed a certain estimate the Comptroller distribute a certain

amount to a certain fund to be used for certain purposes; repealing a requirement that money in a certain fund be used for a certain purpose; repealing a requirement that the State pay a certain amount for certain fiscal years to a certain account as repayment for a certain transfer; requiring the Comptroller to distribute a certain amount for certain fiscal years to a certain account; reducing for a certain fiscal year the total amount of film tax credit certificates that the Secretary of Commerce may issue; increasing the percentage of certain costs for which

each county and Baltimore City are responsible for reimbursing the State; altering certain requirements that for certain fiscal years the Governor appropriate certain amounts from the General Fund to a certain special fund; providing, for certain fiscal years, the budgeted Medicaid Deficit Assessment; altering the fiscal year budget that the Governor is required to begin reducing the budgeted Medicaid Deficit Assessment by a certain amount; repealing a requirement that for certain fiscal years certain amounts be transferred between certain funds; providing, for a certain fiscal year, that payments to providers with rates set by a certain committee may not

increase by more than a certain amount; authorizing the Governor to transfer certain amounts from certain funds; repealing provisions of law relating to the National Capital Strategic Economic Development Program; reducing for a certain fiscal year a certain appropriation; requiring that for certain fiscal years a certain distribution of revenue be used for a certain purpose; and generally relating to the financing of State and local government.

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Article - Tax - General 2-606.

- (a) After making the distributions required under Sections 2-604, 2-605, and 2-605.1 of this subtitle, from the remaining income tax revenue from individuals, the Comptroller shall distribute to an unallocated individual revenue account the income tax revenue:
 - (1) with respect to which an income tax return is not filed; and
 - (2) that is attributable to:
 - (i) income tax withheld from salary, wages, or other compensation for personal services under Title 10 of this article; or
 - (ii) estimated income tax payments by individuals.
- (b) (1) In June of each year, from current collections, the Comptroller shall reserve an amount of unallocated revenue that the Comptroller estimates will be claimed on returns and refunded to taxpayers within 3 years of the date the income tax return was due to be filed, and distribute to each county, municipal corporation, and special taxing district a pro rata share of the balance of the unallocated individual income tax revenue.
 - (2) The Comptroller shall adjust the amount distributed under paragraph (1) of this subsection to a county, municipal corporation, or special taxing district to allow for the proportionate part of tax claim payments for a prior calendar year made after a distribution is made to the county, municipal corporation, or special taxing district for that year.
- (c) (1) To compute the pro rata share for a county, the Comptroller shall:
 - (i) compute the amount equal to the product of multiplying the unallocated individual income

tax revenue by a fraction:

1. the numerator of which is the income tax for the county collected for a calendar year; and
2. the denominator of which is the total income tax from individuals collected for that year; and

(ii) reduce the amount computed under item (i) of this paragraph by the pro rata share computed under paragraph (2) of this subsection for municipal corporations and special taxing districts that are located in the county.

(2) To compute the pro rata share for a municipal corporation or special taxing district, the Comptroller shall compute the amount equal to the product of multiplying the pro rata share for a calendar year for the county where the municipal corporation or district is located by a fraction:

(i) the numerator of which is the amount distributed under Section 2-607 of this subtitle to that municipal corporation or special taxing district for that year; and

(ii) the denominator of which is the total income tax for that county collected for that year.

(d) On or before June 30, 2009, the Comptroller shall distribute \$366,778,631 from the Local Reserve Account established to comply with this section to the General Fund of the State.

(e) On or before June 30, 2010, the Comptroller shall distribute \$350,000,000 from the Local Reserve Account established to comply with this section to the Education Trust Fund established under Section 9-1A-30 of the State Government Article.

(f) ~~(4)~~ On or before June 30, 2011, the Comptroller shall distribute \$200,000,000 from the Local Reserve Account established to comply with this section to the General Fund of the State for use in funding the Maryland Medicaid Program for fiscal year 2011.

~~(2) In each of fiscal years 2021 through 2026, the State shall pay to the Local Reserve Account \$33,333,333 to repay the \$200,000,000 transfer to the General Fund authorized under paragraph (1) of this subsection.~~

(g) (1) On or before June 30, 2013, the Comptroller shall distribute \$15,379,979 from the Local Reserve Account established to comply with this section to a special fund established in the Department of Transportation for the purpose of providing transportation grants to municipalities.

(2) The grants authorized under this subsection shall be allocated to eligible municipalities as provided in Section 8-405 of the Transportation Article.

(h) For fiscal year 2017 and each fiscal year thereafter, in addition to the amounts distributed under subsection (b) of this section, the Comptroller shall distribute \$10,000,000 of the remaining income tax revenue from individuals to the Local Reserve Account established to comply with this section.

(I) FOR FISCAL YEARS 2021 THROUGH 2040, IN ADDITION TO THE AMOUNTS DISTRIBUTED UNDER SUBSECTIONS (B) AND (H) OF THIS SECTION, THE COMPTROLLER SHALL DISTRIBUTE \$10,000,000 OF THE REMAINING INCOME TAX REVENUE FROM INDIVIDUALS TO THE LOCAL RESERVE ACCOUNT ESTABLISHED TO COMPLY WITH THIS SECTION.

10-730.

(f) (1) Except as provided in paragraph (2) of this subsection, the Secretary may not issue tax credit

certificates for credit amounts in the aggregate totaling more than:

- (i) for fiscal year 2014, \$25,000,000;
 - (ii) for fiscal year 2015, \$7,500,000;
 - (iii) for fiscal year 2016, \$7,500,000;
 - (iv) for fiscal year 2019, \$8,000,000; (v) for fiscal year 2020, \$11,000,000;
 - (vi) for fiscal year 2021, ~~\$14,000,000~~ \$10,000,000 ;
 - (vii) for fiscal year 2022, \$17,000,000; and
 - (viii) for fiscal year 2023 and each fiscal year thereafter, \$20,000,000.
- (2) If the aggregate credit amounts under the tax credit certificates issued by the Secretary total less than the maximum provided under paragraph (1) of this subsection in any fiscal year, any excess amount may be carried forward and issued under tax credit certificates in a subsequent fiscal year.
- (3) The Secretary may not issue tax credit certificates for credit amounts totaling more than \$10,000,000 in the aggregate for a single film production activity.
- (4) (i) For fiscal year 2019 and each fiscal year thereafter, the Secretary shall make 10% of the credit amount authorized under paragraph (1) of this subsection available for Maryland small or independent film entities.
- (ii) If the total amount of credits applied for by Maryland small or independent film entities is less than the amount made available under subparagraph (i) of this paragraph, the Secretary shall make available the unused amount of credits for use by qualified film production entities.

***** TEXT OMITTED, DOES NOT PERTAIN TO FILM *****

SECTION 12. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2020.