



# Consolidated Revenue Report

## Fiscal Year 2010

---

PETER FRANCHOT  
Comptroller of Maryland



## MISSION

The Comptroller of Maryland, through the wise development and use of all resources, including technology and the workforce, meets its financial and revenue management and regulatory responsibilities while providing excellent, cost-effective services in both traditional areas and in new and expanded initiatives.

## VISION

Citizens, the professional community, and peers in government recognize the Comptroller of Maryland for its integrity, professional excellence, innovation, and commitment to helping people.

---

For further information, contact:  
Comptroller of Maryland  
P. O. Box 466  
Louis L. Goldstein Treasury Building  
Annapolis, Maryland 21404-0466

410-260-7801

[www.marylandtaxes.com](http://www.marylandtaxes.com)

# TABLE OF CONTENTS

---

A Message From the Comptroller.....	4
History of the Comptroller .....	5
Organization of the Comptroller’s Office.....	6
Executive Direction and Administration.....	7
Revenue Administration.....	8
Regulation .....	9
Financial Control .....	10
Technical Services .....	11
Revenues Collected by the Comptroller’s Office .....	12
State and Local Revenue Collected.....	13
General Fund Revenue Collections.....	14
Revenues Administered by the Comptroller’s Office.....	15
Personal Income Tax.....	18
Table 1 - Personal Income Tax Receipts .....	18
Table 2 - Distribution of Local Income Tax Receipts .....	19
Corporation Income Tax .....	20
Sales and Use Tax .....	21
Table 3 - Sales and Use Tax Receipts by County.....	21
Table 4 - Sales and Use Tax Gross Receipts by County and Principal Type of Businesses for Fiscal Year 2010.....	22
Admissions & Amusement Tax.....	24
Unclaimed Property Receipts .....	25
Alcohol & Tobacco Taxes .....	26
Motor Fuel Taxes.....	27
Motor Fuel Tax Receipts .....	27
Distribution of Motor Fuel Tax Revenue .....	27
Gross Motor Fuel Gallonage & Revenue Statement.....	28
Other Revenues Collected.....	29
Legislation Enacted in 2010.....	31
Taxpayer Assistance Information .....	33



## TO THE PEOPLE OF MARYLAND:

It has truly been an honor to serve as the state's 33<sup>rd</sup> Comptroller, following in the footsteps of two legendary Marylanders, Louis L. Goldstein and William Donald Schaefer. Our office has a long tradition of providing quality service to taxpayers. In doing this job, I bring my own set of progressive values which have guided me during my time in public service – values which I hope will help bring an even higher level of performance to this great agency.

After all, the Comptroller's Office does more than just collect taxes – we attend to issues that affect the long-term fiscal health of our state.

As the chief fiscal superintendent of Maryland, I believe it is important to...

- Vigorously enforce tax laws to create a level playing field for individuals and businesses
- Ensure that consumers get a fair shake when they fill up at the pump and keep untaxed contraband cigarettes and alcohol off our streets and out of our communities
- Expand opportunity for working families through tools such as the Earned Income Tax Credit

- Strengthen our quality of life by promoting tax-saving and environmental-friendly 'green' technologies as well as developing sustainable economic growth through the life sciences and bio-technology industries

Though our state and national economies face many uncertainties in the near future, our office is committed to providing the necessary data and thoughtful analysis needed as we work together in Annapolis to get our fiscal house back in order and preserve the quality of life that we as Marylanders have come to enjoy.

While some may criticize me for taking a more activist approach than my predecessors, I make no apologies for the successes of this agency. You can see more about the wide array of services and information the Comptroller's Office provides online at **[www.marylandtaxes.com](http://www.marylandtaxes.com)**.

A handwritten signature in black ink that reads "Peter Franchot". The signature is written in a cursive, flowing style.

Peter Franchot  
Comptroller of Maryland

# ORGANIZATION

---

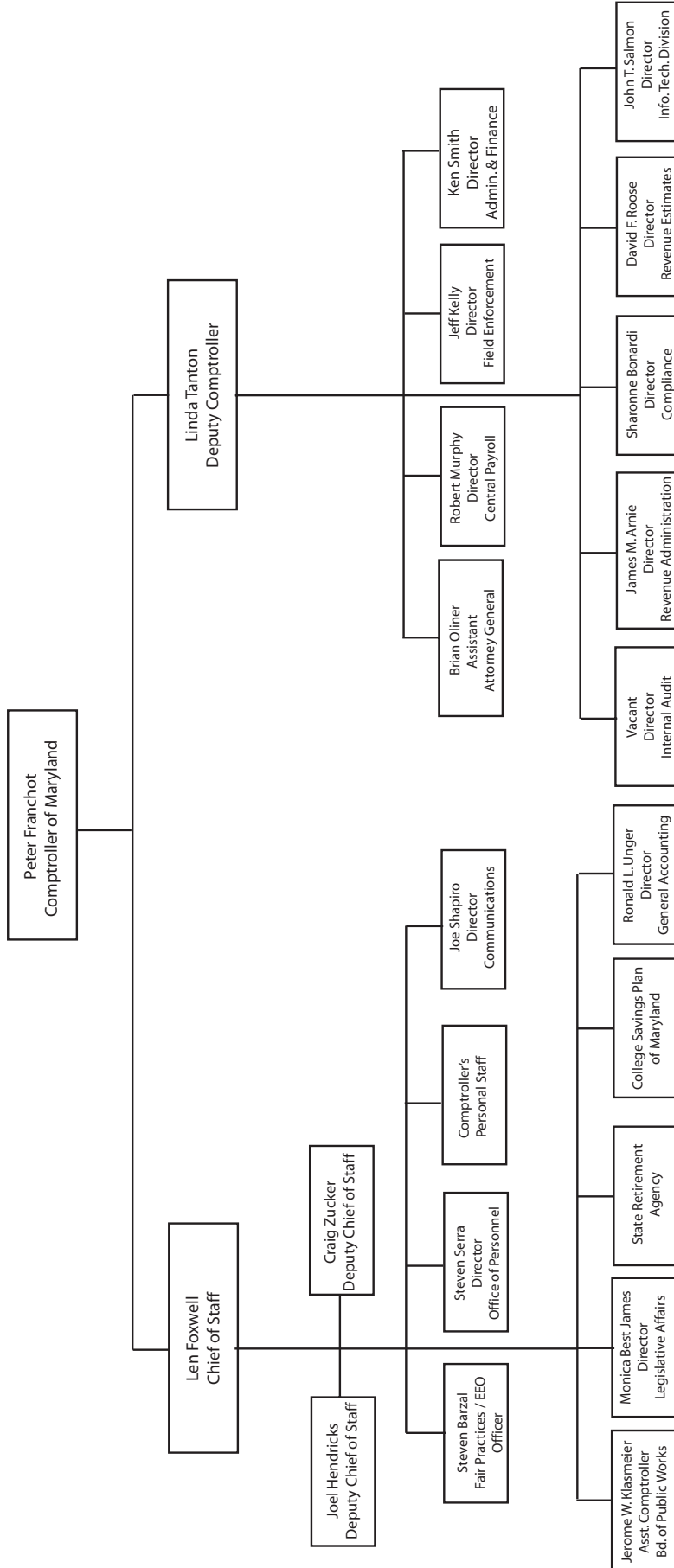
## A BRIEF HISTORY OF THE COMPTROLLER OF MARYLAND

The Maryland state constitution of 1867 (Article VI, Section 2) describes the duties and responsibilities of the Office of the Comptroller stating that: *“The Comptroller shall have the general superintendence of the fiscal affairs of the State... prepare plans for the improvement and management of the revenue, and for the support of the public credit; prepare and report estimates of the revenue and expenditures of the State; superintend and enforce the prompt collection of all taxes and revenues, . . . preserve all public accounts.”*

This brief description encompasses one of the most important functions in state government. In collecting the bulk of Maryland’s general fund revenues; paying the state’s bills; regulating motor fuel, alcoholic beverages, and cigarettes; and providing technology services to other state agencies, the Comptroller’s Office touches the lives of many Marylanders.



## Office of the Comptroller



# EXECUTIVE DIRECTION AND ADMINISTRATION

---

## OFFICE OF THE COMPTROLLER

The Office of the Comptroller provides executive direction for the Comptroller of Maryland, including public affairs and staff support for the Comptroller and Deputy Comptroller as well as support for the Comptroller's responsibilities as a member of the Board of Public Works. Administrative support and direction for the 24 Registers of Wills is also provided by the Office of the Comptroller.

## OFFICE OF ADMINISTRATION AND FINANCE

The Office of Administration and Finance provides centralized budgeting, accounting and procurement activities for the Comptroller of Maryland. The office provides mailroom and other administrative support services. This office also performs capital grant and loan administration as well as accounting for debt service on the state's general obligation bonds.

## OFFICE OF PERSONNEL SERVICES

The Office of Personnel Services promotes the recruitment, development, and retention of a diverse, competent, and motivated workforce that provides services to individuals, businesses, and government. The division coordinates, for all Comptroller divisions, the non-temporary and temporary employment process, agency classification and compensation issues and employee training; administers benefits such as health, retirement, special leave provisions, etc.; and provides related employee services.

# REVENUE ADMINISTRATION

---

## REVENUE ADMINISTRATION DIVISION

The Revenue Administration Division processes personal, corporation, fiduciary, employer withholding, estate, admissions and amusement, sales and use, and motor fuel tax returns, tire recycling and bay restoration fee returns. All remittances received with these returns are deposited through a centralized remittance processing center.

In addition, the division is responsible for providing assistance to taxpayers, adjusting taxpayer accounts, controlling all tax processing systems, accounting for and reporting all tax revenues received, and distributing the local income tax collected on Maryland state and local income tax returns to the subdivisions of Maryland.

## BUREAU OF REVENUE ESTIMATES

The Bureau of Revenue Estimates carries on continuing studies and reviews of the economic and revenue conditions of the state and how they affect the state's revenue. The bureau serves as executive secretariat to the Board of Revenue Estimates, which is composed of the state Comptroller, State Treasurer and Secretary of Budget and Management. The bureau is also responsible for legislative duties related to tax issues.

## COMPLIANCE DIVISION

This division is responsible for business tax audits, compliance programs, delinquent tax collection, tax hearings and appeals. Additionally, the Compliance Division is responsible for administering the Uniform Disposition of Unclaimed Property Act pursuant to Title 17 of the Commercial Law Article of the Annotated Code of Maryland.



## FIELD ENFORCEMENT DIVISION

The Field Enforcement Division is responsible for enforcing the state's revenue laws relating to alcoholic beverages, tobacco, motor fuel, business licenses, sales and use tax, and admissions and amusement tax associated with gaming devices and other forms of entertainment. Under the enforcement powers the division also investigates and enforces illegal transportation and possession of untaxed cigarettes and illegal manufacture, importation, and sales of alcoholic beverages and motor fuel. The division is also responsible for regulating the motor fuel, alcohol, and tobacco industries that conduct business in the.

The division's State License Bureau is responsible for administering the business licenses required for many Maryland business activities, including licenses for traders; amusements; auctions; chain stores; construction; dry cleaners; garages; plumbers and gas fitters; restaurants; storage warehouses; vending machines and retail/vending machines which sell cigarettes.

The division's Motor Fuel Testing Laboratory analyzes all incoming petroleum products for quality and verifies the fuel is in compliance with state regulations and specifications, as well as federal EPA guidelines. The laboratory is also equipped to run analysis of alcoholic beverages for proof verification using gas chromatography procedures.

## FINANCIAL CONTROL

---

### GENERAL ACCOUNTING DIVISION

The General Accounting Division sets statewide accounting policy, maintains the state's general ledger and other official accounting records, which account for all state funds; exercises overall appropriation control; audits all disbursements; approves warrants for all money paid into or out of the treasury; and countersigns and distributes all vendor checks. Furthermore, the Division promulgates general guidance on matters concerning internal control; prepares the state's comprehensive annual financial reports and certain other financial reports and manages the contract for the audit of the state's annual financial report and the audit of all federal grants to the state.

### CENTRAL PAYROLL BUREAU

The Central Payroll Bureau pays biweekly salaries to all state employees of the legislative, judicial and executive branches as well as the University of Maryland System. Special Payments for services of employees hired on a contractual basis are also paid through this system.

The Central Payroll Bureau provides timely payroll services to state employees, agency payroll offices and other partners through payment of wages, direct deposit services, and electronic data exchanges by the authorizing of payroll charges to agency budgets. The Bureau oversees payments of payroll taxes, subsidies, garnishments, dependent support payments, retirement and pension deductions and more than 120 other payroll deductions. The Bureau maintains a Web site that provides current payroll instructions and schedules, as well as interactive payroll documents and a net pay calculator.

# TECHNICAL SERVICES

## INFORMATION TECHNOLOGY DIVISION

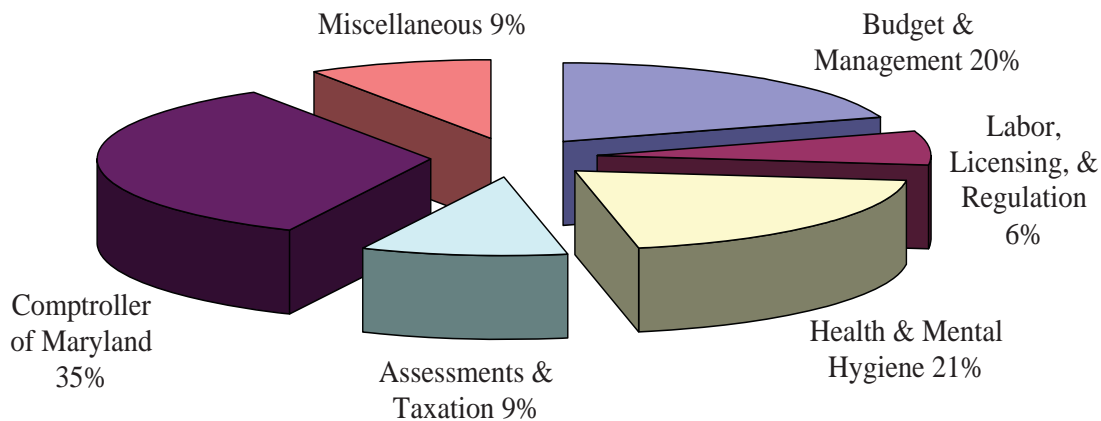
The Information Technology Division (ITD) is comprised of two programs: Comptroller IT Services and Annapolis Data Center (ADC) Operations

The Information Technology Division - Comptroller IT Services is responsible for the overall management and direction of the Information Technology efforts of the Comptroller of Maryland. This program supports the automated mainframe computer applications and Web development initiatives of the Comptroller's Office. This program also provides Information Technology Services to the Registers of Wills offices throughout the State.

This program provides the technical expertise to analyze, design, develop, implement and maintain the information technology solutions that support the business needs of the Comptroller of Maryland and provides enhanced services to Maryland taxpayers. The skills used to provide these services cover a broad range including systems analysis, project planning, programming, project management and ongoing production support.

The Information Technology Division - Annapolis Data Center Operations provides mainframe computer services for its parent agency, the Comptroller of Maryland, as well as many other State agencies. The ADC's operational costs are fully reimbursed from its customers via charges for computer usage and services rendered.

The ADC is the largest of the five mainframe data centers in the Maryland State government. Some of the applications supported by the ADC include the Maryland State Integrated Tax (SMART) System, the State Payroll System, the Maryland State Financial Management and Information System (FMIS), and Medicaid.



REVENUES COLLECTED BY  
THE  
COMPTROLLER'S OFFICE

# REVENUES COLLECTED BY THE COMPTROLLER'S OFFICE

## STATE AND LOCAL REVENUES COLLECTED BY THE COMPTROLLER'S OFFICE BY SOURCE AND FUND

*(Dollars in Thousands)*

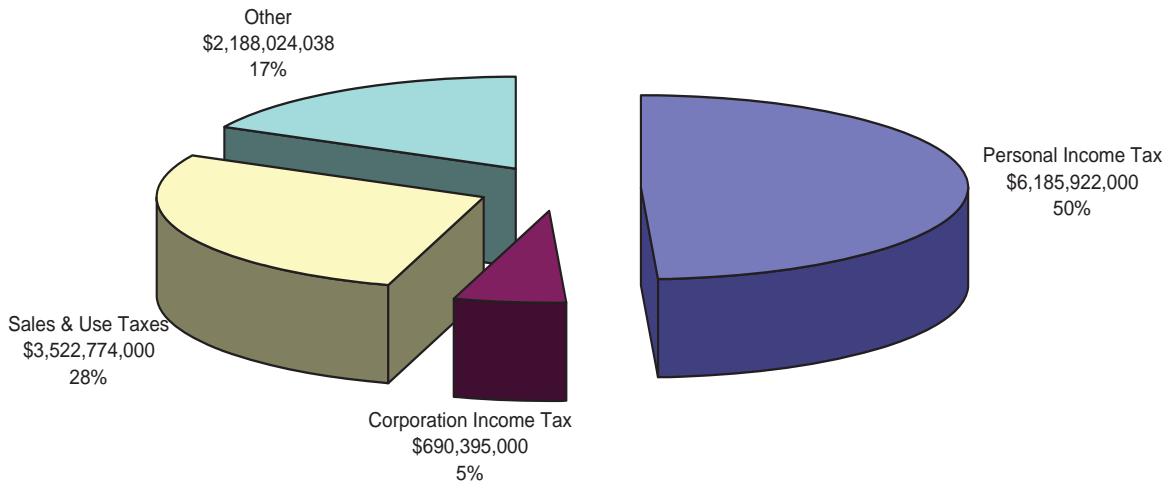
The Comptroller's Office collects revenue on behalf of both the state and local governments. The \$12.6 billion in state receipts collected by the Comptroller's Office in fiscal year 2010 represents 40.9 percent of the \$30.8 billion in total state revenues received.

	FY 2010			FY 2009 Total
	General	State Special	Local	
Personal Income Tax	\$ 6,185,922	\$ -	\$ 3,776,596	\$ 10,350,506
Corporation Income Tax	690,395	200,998	-	749,001
Sales and Use Tax	3,522,774	-	-	3,670,431
Motor Fuel Tax	945	719,227	-	736,105
Alcohol Taxes	29,874	-	-	29,168
Tobacco Taxes	405,915	-	-	405,579
Estate Tax	173,473	-	-	153,429
Admissions and Amusement Tax	-	2,082	52,152	62,221
Environmental Surcharge on Electricity	-	9,057	-	9,057
Emergency Telephone System Surcharge (911 Fee)	-	56,916	-	56,916
Electric Universal Service Program Surcharge	-	38,128	-	38,128
Unclaimed Property	64,259	74,493	-	137,656
Telecommunications Access Surcharge	-	5,763	-	5,763
Tire Recycling Fee	-	3,714	-	3,625
Bay Restoration Fee	-	68,554	-	69,239
Miscellaneous	3,202	-	-	2,419
<b>Total</b>	<b>\$ 11,076,760</b>	<b>\$ 1,178,933</b>	<b>\$ 3,828,748</b>	<b>\$ 16,479,243</b>

Detail may not sum to totals due to rounding.

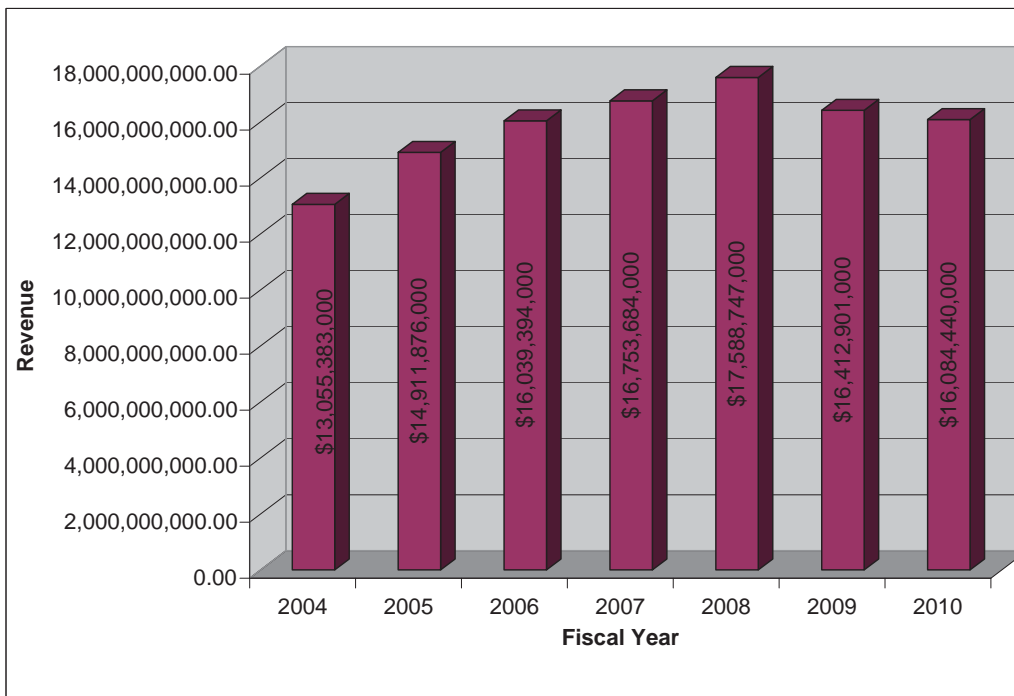
## GENERAL FUND REVENUE COLLECTIONS

During fiscal year 2010, the Comptroller’s Office collected 87 cents of every revenue dollar (exclusive of interfund transfers) deposited into the state’s general fund. The following chart shows the principal sources of general fund revenues.



## STATE AND LOCAL REVENUES COLLECTED BY THE COMPTROLLER’S OFFICE

In fiscal year 2004, the Comptroller’s Office collected \$13.1 billion in state and local revenues. In fiscal year 2010, these collections amounted to \$16.1 billion - an average annual increase of 3.54 percent. The following chart shows the annual amounts collected.



# REVENUES ADMINISTERED

Revenue Source	Rate (As of July 1, 2010)	Description																		
State Personal Income Tax	<b>Taxpayer Filing Joint, Surviving Spouse or Head of Household Returns</b>	Annual tax imposed upon individuals and fiduciaries as a percentage of Maryland taxable income (federal adjustable gross income with Maryland modifications)																		
	<table border="1"> <thead> <tr> <th><u>Taxable Income</u></th> <th><u>Tax Rate</u></th> </tr> </thead> <tbody> <tr> <td>\$1 - \$1,000</td> <td>2.00 %</td> </tr> <tr> <td>\$1,001 - \$2,000</td> <td>3.00 %</td> </tr> <tr> <td>\$2,001 - \$3,000</td> <td>4.00 %</td> </tr> <tr> <td>\$3,001 - \$200,000</td> <td>4.75 %</td> </tr> <tr> <td>\$200,001 - \$350,000</td> <td>5.00 %</td> </tr> <tr> <td>\$350,001 - \$500,000</td> <td>5.25 %</td> </tr> <tr> <td>\$500,001 - \$1,000,000</td> <td>5.50 %</td> </tr> <tr> <td>In excess of \$1,000,000</td> <td>6.25 %</td> </tr> </tbody> </table>	<u>Taxable Income</u>	<u>Tax Rate</u>	\$1 - \$1,000	2.00 %	\$1,001 - \$2,000	3.00 %	\$2,001 - \$3,000	4.00 %	\$3,001 - \$200,000	4.75 %	\$200,001 - \$350,000	5.00 %	\$350,001 - \$500,000	5.25 %	\$500,001 - \$1,000,000	5.50 %	In excess of \$1,000,000	6.25 %	
<u>Taxable Income</u>	<u>Tax Rate</u>																			
\$1 - \$1,000	2.00 %																			
\$1,001 - \$2,000	3.00 %																			
\$2,001 - \$3,000	4.00 %																			
\$3,001 - \$200,000	4.75 %																			
\$200,001 - \$350,000	5.00 %																			
\$350,001 - \$500,000	5.25 %																			
\$500,001 - \$1,000,000	5.50 %																			
In excess of \$1,000,000	6.25 %																			
	<b>All Other Individual Taxpayers</b>																			
	<table border="1"> <thead> <tr> <th><u>Taxable Income</u></th> <th><u>Tax Rate</u></th> </tr> </thead> <tbody> <tr> <td>\$1 - \$1,000</td> <td>2.00 %</td> </tr> <tr> <td>\$1,001 - \$2,000</td> <td>3.00 %</td> </tr> <tr> <td>\$2,001 - \$3,000</td> <td>4.00 %</td> </tr> <tr> <td>\$3,001 - \$150,000</td> <td>4.75 %</td> </tr> <tr> <td>\$150,001 - \$300,000</td> <td>5.00 %</td> </tr> <tr> <td>\$300,001 - \$500,000</td> <td>5.25 %</td> </tr> <tr> <td>\$500,001 - \$1,000,000</td> <td>5.50 %</td> </tr> <tr> <td>In excess of \$1,000,000</td> <td>6.25 %</td> </tr> </tbody> </table>	<u>Taxable Income</u>	<u>Tax Rate</u>	\$1 - \$1,000	2.00 %	\$1,001 - \$2,000	3.00 %	\$2,001 - \$3,000	4.00 %	\$3,001 - \$150,000	4.75 %	\$150,001 - \$300,000	5.00 %	\$300,001 - \$500,000	5.25 %	\$500,001 - \$1,000,000	5.50 %	In excess of \$1,000,000	6.25 %	
<u>Taxable Income</u>	<u>Tax Rate</u>																			
\$1 - \$1,000	2.00 %																			
\$1,001 - \$2,000	3.00 %																			
\$2,001 - \$3,000	4.00 %																			
\$3,001 - \$150,000	4.75 %																			
\$150,001 - \$300,000	5.00 %																			
\$300,001 - \$500,000	5.25 %																			
\$500,001 - \$1,000,000	5.50 %																			
In excess of \$1,000,000	6.25 %																			
Corporation Income Tax	8.25%	Annual tax on the net income of the corporation apportioned and allocated to Maryland.																		
County (Local) Income Tax	A minimum of 1% and a maximum of 3.20%	A tax imposed on resident individuals of certain nonresident individuals and fiduciaries by the 23 net taxable income counties and Baltimore City. Each county sets its rate as a percentage of net taxable income.																		
Special Nonresident Tax	1.25%	A tax imposed on the Maryland taxable income of certain nonresident individuals.																		
Sales and Use Tax	6% tax levied on bracketed	A tax imposed on the sale or use of tangible rate structure personal property and certain enumerated services.																		
Admissions and Amusement Tax	Maximum 11% rate	A tax imposed by counties, incorporated cities and towns on certain enumerated admissions and amusement charges.																		
Unclaimed Property	Actual value of property	Bank accounts, stock certificates and dividends, security deposits, payroll checks, insurance proceeds, etc., are presumed abandoned if without activity for a specified period. The property is turned over to the state by the holders.																		

Revenue Source	Rate (As of July 1, 2010)	Description
Bay Restoration Fee	Per dwelling unit per month: Up to 3,000 units \$2.50 3,000 to 5,000 units \$1.25 5,000 units and over No fee	A monthly fee collected by local governments and wastewater disposal facilities for each dwelling unit; monies paid into the Bay Restoration Fund.
Environmental Surcharge on Electricity	Not to exceed the lesser of: .15 mill per kilowatt hour or \$1,000 per month	Environmental surcharge for each kilowatt hour of electric energy distributed to retail electric customers in Maryland; monies paid into the Environmental Trust Fund.
Emergency Telephone System Fee	\$.25 per month paid by each subscriber; counties can charge up to an additional \$.75 per subscriber per month	Created to provide grants to the counties to finance installation of a 911 system on a statewide basis and to provide grants to finance enhancements to existing systems.
Electric Universal Service Surcharge	\$.37 per month for residential; \$.37 to \$4,081.50 per month for non-residential based on annual electric bill	Charge paid by customers to public utilities to provide electric service to low-income Maryland customers. The Comptroller collects these revenues from the utility companies.
Estate Tax	Unused federal credit	Imposed upon the transfer of a Maryland estate. Calculated as the amount by which the federal state death tax credit (as of 12/31/01) exceeds the total of Maryland inheritance taxes and taxes imposed by other states on property included in the Maryland estate. Regardless of the federal unified credit amount, the Maryland return must be calculated using a federal unified credit equal to an exclusion of \$1 million; for this reason the filing of a Maryland return may be required even when a federal return is not required. The tax is limited to 16% of the amount by which the decedent's taxable estate exceeds \$1 million.
Telecommunications Access Surcharge	\$.20 per month paid by each subscriber	A tax imposed on telephone subscribers in Maryland to provide telephone service to hearing and speech impaired citizens.
Tire Recycling Fee	\$.80 per new tire	A fee imposed on each new tire. The fee applies to the first sale of a tire in Maryland which is not a sale to a wholesaler.
Alcoholic Beverages Taxes	<i>Per Gallon:</i> Distilled Spirits \$ 1.50 Wine \$ .40 Beer \$ .09	Wholesale tax on wine and distilled spirits reported monthly based on sales to retailers. Nonresident supplier, or wholesaler who self-imports beer remits beer tax prior to entry into state.
Alcoholic Beverages Manufacturer's Licenses	Distillery \$2,000 Rectifying Plant \$ 600 Winery \$ 750 Limited Winery \$ 200 Brewery \$1,500 Pub-Brewery \$ 500 Micro-Brewery \$ 500	Annual license fee imposed to operate a distillery, rectifying plant, brewery or winery; pub-brewery and micro-brewery licenses are issued to holders of Class "B" retail licenses under certain conditions.



Revenue Source	Rate (As of July 1, 2010)	Description
Alcoholic Beverages Wholesaler's Licenses	Beer, Wine, Liquor \$2,000 Wine & Liquor \$1,750 Beer & Wine \$1,500 Beer \$1,250 Wine \$1,250	Annual license fee authorizes holder to receive product from licensees and holders of nonresident dealer permits and to make sale and delivery of product to businesses and permit holders in Maryland and to persons outside this state.
Alcoholic Beverages Licenses		
Airplane	Beer, Wine, Liquor \$ 200	Annual license fee imposed to dispense alcoholic beverages aboard airplanes, in rail cars, and on water vessels hired for the transportation of passengers. The Statewide Caterers' License (SCAT) permits the storage of product by entities that operate in more one subdivision. The SCAT license may be general or limited.
Railroad	Beer, Wine, Liquor \$ 200	
Water Vessel	Beer, Wine, Liquor \$ 150	
Statewide Caterer's	Beer, Wine, Liquor \$ 250- \$ 2,000	
Alcoholic Beverages Permits	Ranges from \$2 - \$500	A variety of permits are issued authorizing the sale, shipment, transport, storage and solicitation of alcoholic beverages.
Cigarette Tax	\$2.00 per pack of 20 cigarettes; 10¢ per each cigarette in packages of more than 20	Wholesalers pay tax by purchasing tax stamps which are affixed to all packages of cigarettes before sale at retail.
Tobacco Licenses	Manufacturer \$ 25 Wholesaler \$750 Sub-Wholesaler \$500 Vendor \$500 Storage Warehouse \$ 25	Annual license fee imposed upon various dealers and handlers of cigarettes.
Other Tobacco Products	15% of the wholesale price	Tax is paid by wholesaler who sells other tobacco products (excludes cigarettes) to a retailer or consumer in the state. If tax is not paid by wholesaler, tax liability reverts to retailer or consumer.
Motor Fuel Tax	\$.235 per gallon \$.2425 per gallon \$.235 per gallon	Tax on all gasoline used as a motor fuel. Tax on special fuels (diesel/kerosene) other than clean-burning fuels used as a motor fuel. Tax on clean-burning fuels used as a motor fuel.
Aviation Fuel Tax	\$.07 per gallon	Tax on motor fuel used to power aircraft not operated for common carriage or by government entities.
Motor Carrier Tax	\$.2425 per gallon for special fuels (diesel/kerosene) other than clean-burning fuels; \$.235 per gallon for gasoline and clean-burning fuels	Tax on motor carriers who operate commercial motor vehicles on Maryland highways.
IFTA Motor Carrier	Decal fee eliminated	Annual IFTA license and identification markers are required for all commercial motor vehicles operated by Maryland-based interstate motor carriers in Maryland and at least one other IFTA jurisdiction.
IFTA Fuel Trip Permit	\$42 per permit	Temporary 15-day permit fee in lieu of IFTA License.

For additional information on the calculation of taxes and the aforementioned fees including exemptions and credits, visit [www.marylandtaxes.com](http://www.marylandtaxes.com).

# PERSONAL INCOME TAX

During Fiscal Year 2010, the Comptroller's Office collected \$12.7 billion in state and local income tax payments and refunded \$2.6 billion to individual income taxpayers. The Comptroller's Office also collects and distributes the local income tax for Maryland subdivisions.

Table 1 reflects the gross collections and net revenues for the general fund. Table 2 displays the distribution of income tax revenue to Baltimore City, Maryland's 23 counties and the incorporated towns, and special taxing districts within those counties.

TABLE 1  
PERSONAL INCOME TAX  
FISCAL YEAR 2010

	Gross Revenues	Less					Net amount to the General Fund
		Refunds	Reserve for Subdivisions	Chesapeake Bay and Endangered Species Fund	Fair Campaign Fund	Maryland Cancer Fund	
Personal income tax	\$12,706,814,029	\$2,619,656,741	\$3,782,248,237	\$1,042,994	\$108,327	\$462,921	\$6,303,294,809
Personal estimated tax payments not claimed on returns	(\$535,901,478)						(\$535,901,478)
Employer withholding tax payments not claimed on returns	\$441,758,486	\$12,631,942					\$429,126,544
Fiduciary income tax	\$111,552,640	\$59,020,717	(\$5,651,895)	\$1,006	\$120	\$58	\$58,182,634
Fiduciary estimated tax payments not claimed on returns	(\$67,531,184)						(\$67,531,184)
Unidentified tax payments	(\$191,317)	\$1,058,230					(\$1,249,547)
<b>Total</b>	<b>\$12,656,501,176</b>	<b>\$2,692,367,630</b>	<b>\$3,776,596,342</b>	<b>\$1,044,000</b>	<b>\$108,447</b>	<b>\$462,979</b>	<b>\$6,185,921,778</b>

Detail may not sum to totals due to rounding.

TABLE 2  
DISTRIBUTION OF LOCAL INCOME TAX RECEIPTS  
FISCAL YEAR 2010

*(Dollars in Thousands)*

County	Distributions to Cities & Towns	Distributions to Counties	Total Distributions
<b>Allegany</b>	\$ 2,937,052	\$ 24,226,933	\$ 27,163,985
<b>Anne Arundel</b>	4,245,393	355,998,573	360,243,966
<b>Baltimore</b>	-	503,197,646	503,197,646
<b>Calvert</b>	798,441	56,076,644	56,875,085
<b>Caroline</b>	501,614	10,188,294	10,689,908
<b>Carroll</b>	4,252,092	108,203,210	112,455,302
<b>Cecil</b>	2,107,130	47,088,771	49,195,901
<b>Charles</b>	1,497,597	86,120,065	87,617,662
<b>Dorchester</b>	636,951	8,853,220	9,490,171
<b>Frederick</b>	8,843,277	146,458,805	155,302,082
<b>Garrett</b>	429,049	10,009,187	10,438,236
<b>Harford</b>	3,443,392	155,032,942	158,476,334
<b>Howard</b>	-	294,186,787	294,186,787
<b>Kent</b>	595,284	9,526,251	10,121,535
<b>Montgomery</b>	30,024,424	1,046,993,283	1,077,017,707
<b>Prince George's</b>	19,657,415	427,501,714	447,159,129
<b>Queen Anne's</b>	464,316	30,032,519	30,496,835
<b>St. Mary's</b>	334,693	65,188,425	65,523,118
<b>Somerset</b>	193,105	6,317,054	6,510,159
<b>Talbot</b>	1,566,410	19,884,208	21,450,618
<b>Washington</b>	3,094,645	57,733,178	60,827,823
<b>Wicomico</b>	2,059,117	37,668,255	39,727,372
<b>Worcester</b>	1,125,731	9,961,459	11,087,190
<b>Baltimore City</b>	-	224,688,366	224,688,366
<b>Total</b>	<u>\$ 88,807,128</u>	<u>\$ 3,741,135,789</u>	<u>\$ 3,829,942,917</u>

Detail may not sum to totals due to rounding.

# CORPORATION INCOME TAX

During fiscal year 2010, the Revenue Administration Division collected \$891.4 million in corporation income tax revenues. The revenues from Maryland's corporation income tax are allocated between the general fund and various transportation programs on the basis of a complex formula. The following table lists the revenues that were distributed to each of the various funds during fiscal year 2010.

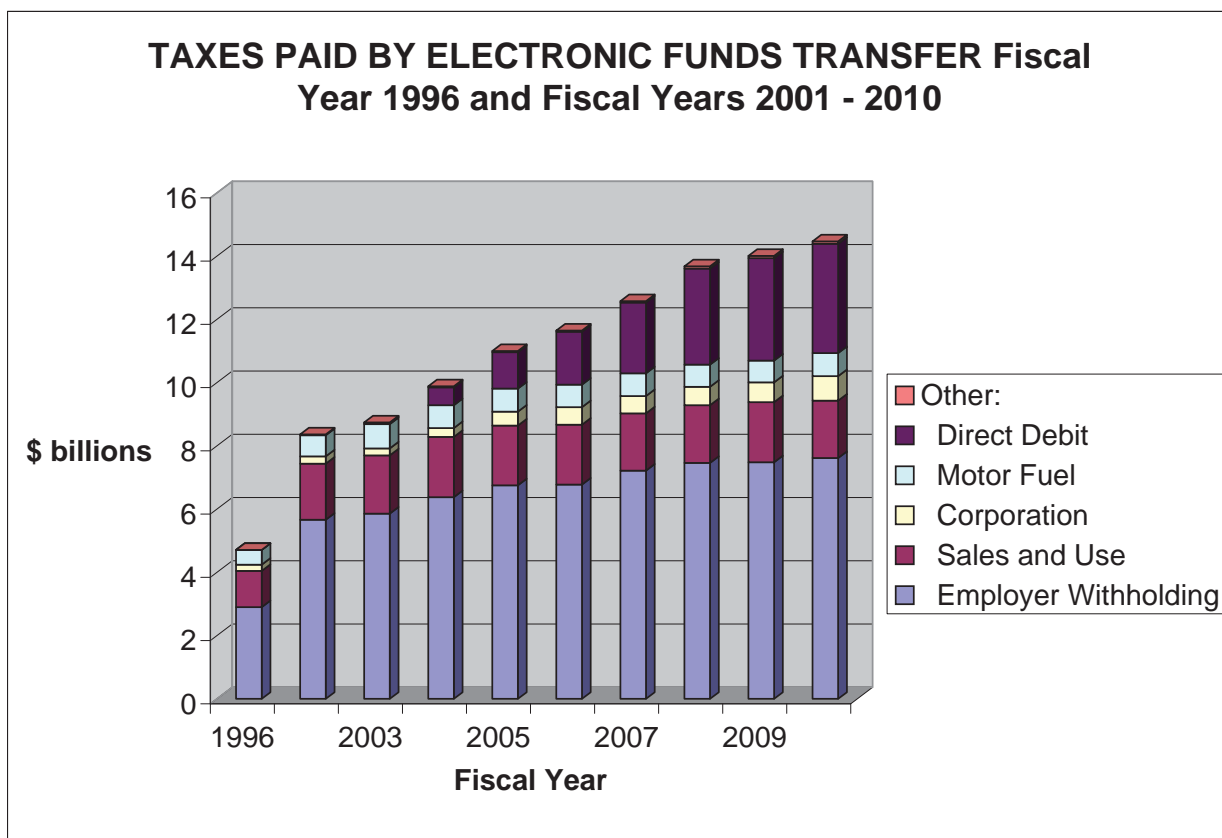
### Allocation of Corporation Income Tax Receipts (Dollars in Thousands)

General Fund	\$690,395
Special Fund:	
Distribution to Gasoline and Motor Vehicle Revenue Account	155,254
Higher Education Investment Fund	45,744
	\$891,393
Total	\$891,393

Revenues from the gasoline and motor vehicle revenue account are distributed among the Department of Transportation and local governments as specified in Sections 8-402 and 8-403 of the Transportation Article.

Note: The required distribution to the Higher Education Investment Fund has been extended past FY 2009.

Detail may not sum to totals due to rounding.



## SALES AND USE TAX

During fiscal year 2010, the Comptroller's Office collected \$3.76 billion in net sales and use tax receipts. Tax collections totaled \$3.78 billion, and refunds totaled \$17.0 million. The taxable food and beverage group produced the largest amount of revenue (\$869.3 million), followed by the general merchandise group (\$706.2 million). The miscellaneous category produced the third largest amount (\$513.1 million).

Among the State's geographic regions, Baltimore County generated the most revenue (\$517.1 million), followed by Montgomery County (\$486.6 million), Prince George's County (\$442.6 million), Anne Arundel County (\$358.8 million) and Baltimore City (\$307.1 million). Table 3 represents a two-year comparison of sales and use tax revenue by county. Table 4 represents sales and use tax collections by county and principal type of business for fiscal year 2010.

**TABLE 3**  
**SALES AND USE TAX RECEIPTS BY COUNTY**  
*(Dollars in Thousands)*

	FY 2010	FY 2009	% Change	% of FY 2010 Total
Allegany	\$ 37,482	\$ 39,426	(4.93)	0.99
Anne Arundel	357,777	357,676	0.03	9.47
Baltimore City	305,426	327,566	(6.76)	8.09
Baltimore	514,892	528,906	(2.65)	13.64
Calvert	37,996	32,649	16.38	1.01
Caroline	6,734	7,012	(3.97)	0.18
Carroll	88,909	95,398	(6.80)	2.35
Cecil	33,317	34,184	(2.54)	0.88
Charles	93,497	97,776	(4.38)	2.48
Dorchester	13,127	13,623	(3.64)	0.35
Frederick	126,674	124,746	1.55	3.35
Garrett	16,993	17,810	(4.59)	0.45
Harford	119,409	115,215	3.64	3.16
Howard	167,219	178,708	(6.43)	4.43
Kent	11,882	12,510	(5.02)	0.31
Montgomery	483,871	512,226	(5.54)	12.81
Prince George's	441,141	474,935	(7.12)	11.68
Queen Anne's	20,551	21,710	(5.34)	0.54
St. Mary's	47,147	46,778	0.79	1.25
Somerset	3,336	3,488	(4.35)	0.09
Talbot	34,472	37,071	(7.01)	0.91
Washington	94,219	97,768	(3.63)	2.50
Wicomico	70,997	74,452	(4.64)	1.88
Worcester	70,498	69,846	0.93	1.87
District of Columbia	35,665	41,193	(13.42)	0.94
Other/Out-of-State Vendors	542,938	517,397	4.94	14.38
<b>Total Gross Receipts</b>	<b>\$ 3,776,170</b>	<b>\$ 3,880,069</b>	<b>(2.68)</b>	<b>100.00</b>
Less: Refunds	(17,026)	(22,570)	(24.56)	
<b>Total Net Receipts</b>	<b>3,759,144</b>	<b>3,857,499</b>	<b>(2.55)</b>	
Less: Distribution to TTF	(22,366)	(21,498)	4.04	
Distribution to Chesapeake Bay 2010 Fund	(6,235)	(7,776)	(19.82)	
Distribution to Rental Car Fund	(196,425)	(201,586)	(2.56)	
<b>Net After Distribution to TTF*</b>	<b>\$ 3,534,118</b>	<b>3,626,639</b>	<b>(2.55)</b>	

TABLE 4  
SALES AND USE TAX GROSS RECEIPTS BY COUNTY AND PRINCIPAL  
TYPE OF BUSINESS FOR FISCAL YEAR 2010

*(Dollars in Thousands)*

County	Food & Beverage	Apparel	General Merchandise	Automotive	Furniture & Appliances
Allegany	\$ 11,265	\$ 1,770	\$ 8,481	\$ 3,243	\$ 1,571
Anne Arundel	99,549	26,985	62,923	23,925	37,969
Baltimore City	90,044	14,425	29,552	15,994	15,533
Baltimore	123,297	29,064	123,123	36,549	36,667
Calvert	10,389	674	7,330	2,124	872
Caroline	2,441	125	487	920	49
Carroll	21,312	2,847	23,481	5,626	4,552
Cecil	13,989	1,000	8,298	2,437	1,624
Charles	21,738	4,139	25,681	7,600	4,917
Dorchester	3,716	113	3,474	625	324
Frederick	32,268	3,925	26,004	8,171	5,143
Garrett	4,128	82	4,950	1,696	348
Harford	32,980	4,638	27,180	9,508	5,712
Howard	41,779	10,124	31,331	11,642	14,258
Kent	3,190	299	3,741	629	158
Montgomery	138,362	31,596	85,236	43,500	40,934
Prince George's	105,876	21,211	87,455	34,254	32,261
Queen Anne's	7,293	3,695	2,382	1,605	547
St. Mary's	13,391	1,519	12,526	5,205	1,522
Somerset	1,566	2	437	645	107
Talbot	8,069	881	6,075	2,151	1,623
Washington	22,879	6,072	27,152	6,490	6,551
Wicomico	15,380	3,691	21,573	4,823	2,390
Worcester	29,483	3,760	10,998	2,731	2,632
District of Columbia	240	571	2,884	393	14,552
Other/ Out-Of-State Vendors	14,664	16,147	63,434	7,911	115,380
<b>Total</b>	<b>\$ 869,285</b>	<b>\$ 189,356</b>	<b>\$ 706,186</b>	<b>\$ 240,395</b>	<b>\$ 348,196</b>

Detail may not sum to totals due to rounding.

TABLE 4  
SALES AND USE TAX GROSS RECEIPTS BY COUNTY AND PRINCIPAL  
TYPE OF BUSINESS FOR FISCAL YEAR 2010

*(Dollars in Thousands)*

County	Building & Industrial Supplies	Utilities & Transportation	Hardware, Machinery & Equipment	Miscellaneous	Assessment Collections	Total Collections
Allegany	\$ 3,755	\$ 3,391	\$ 1,343	\$ 2,663	\$ (22)	\$ 37,459
Anne Arundel	34,340	24,487	10,059	37,541	1,018	358,795
Baltimore City	27,611	60,021	10,704	41,544	1,701	307,127
Baltimore	64,481	47,896	7,642	46,174	2,232	517,123
Calvert	3,040	2,467	1,510	9,590	48	38,045
Caroline	555	1,071	252	834	4	6,738
Carroll	16,135	5,347	2,970	6,638	274	89,183
Cecil	2,502	129	831	2,489	45	33,344
Charles	15,592	6,529	1,294	6,026	75	93,591
Dorchester	942	956	564	2,530	138	13,383
Frederick	20,207	9,780	3,270	17,648	309	126,724
Garrett	1,680	750	509	2,934	(2)	17,074
Harford	22,637	6,000	2,790	8,134	339	119,918
Howard	14,218	10,700	4,964	28,204	538	167,757
Kent	1,411	898	434	1,122	48	11,930
Montgomery	39,636	40,547	6,291	57,770	2,733	486,605
Prince George's	65,825	29,351	10,378	54,530	1,487	442,627
Queen Anne's	1,328	1,213	739	1,749	17	20,568
St. Mary's	4,300	3,548	1,090	4,048	46	47,194
Somerset	140	34	47	358	12	3,348
Talbot	7,857	3,697	743	3,376	1	34,473
Washington	9,283	5,370	2,090	8,332	170	94,390
Wicomico	7,050	6,756	2,557	6,776	1,037	72,034
Worcester	6,446	723	483	13,243	250	70,748
District of Columbia	2,400	8,316	515	5,795	(55)	35,610
Other/ Out-Of-State Vendors	73,126	90,930	18,304	143,042	1,865	544,803
<b>Total</b>	<b>\$ 446,498</b>	<b>\$ 370,905</b>	<b>\$ 92,370</b>	<b>\$ 513,090</b>	<b>\$ 14,310</b>	<b>\$ 3,790,592</b>

Detail may not sum to totals due to rounding.

# ADMISSIONS AND AMUSEMENT TAX

The Comptroller's Office is also responsible for administering, collecting, and distributing the admissions and amusement tax revenues to the counties and incorporated cities and towns in Maryland.

The table below lists the net receipts and amounts distributed to counties (including municipalities within the counties) for fiscal year 2010.

TABLE 5  
ADMISSIONS AND AMUSEMENT TAX RECEIPTS AND DISTRIBUTIONS  
*(Dollars in Thousands)*

County	Net Receipts	Administrative Expense	Total Distributed
Allegany	\$ 233	\$ 9	\$ 224
Anne Arundel	9,483	\$ 375	9,108
Baltimore City	5,653	\$ 322	5,331
Baltimore	7,797	\$ 221	7,576
Calvert	808	\$ 32	775
Caroline	2	*	2
Carroll	672	\$ 24	648
Cecil	235	\$ 6	229
Charles	841	\$ 30	811
Dorchester	82	\$ 4	78
Frederick	1,342	\$ 45	1,297
Garrett	731	\$ 33	697
Harford	862	\$ 29	832
Howard	2,317	\$ 82	2,235
Kent	56	\$ 1	56
Montgomery	4,066	\$ 162	3,904
Prince George's	14,819	\$ 598	14,221
Queen Anne's	223	\$ 6	217
St. Mary's	93	\$ 3	90
Somerset	24	*	24
Talbot	98	\$ 3	96
Washington	480	\$ 18	461
Wicomico	642	\$ 27	616
Worcester	1,823	\$ 41	1,782
MD Stadium Authority	8,711	\$ 395	8,316
<b>Total</b>	<b>\$ 62,094</b>	<b>\$ 2,083</b>	<b>\$ 59,627</b>

\* Denotes less than \$500  
Detail may not sum to totals due to rounding.



# UNCLAIMED PROPERTY RECEIPTS

---

The Comptroller's Office is responsible for administering the Uniform Disposition of Unclaimed Property Act. It is responsible for the care, custody, and control of all tangible property presumed abandoned or unclaimed. The value of the property may be claimed by its rightful owner at any time subsequent to this distribution.

The table below presents an analysis of collections and distributions of unclaimed property receipts during fiscal year 2010.

TABLE 6  
UNCLAIMED PROPERTY RECEIPTS AND DISTRIBUTIONS

*(Dollars in Thousands)*

**Sources of Net Revenues from Miscellaneous Unclaimed Property:**

Life Insurance	\$	2,562
Other Insurance		6,001
Public Utilities		84
Corporations		33,572
Fiduciaries & Trustee Assets		260
Government Agencies		3,844
Banks and Financial Organizations		358
Nursing Homes		27,811
		<hr/>
Total Net Revenues	\$	74,493

**Allocation of Net Revenues:**

Administrative Expenses	\$	3,066
Distributed to Maryland Legal Services Corporation		500
Transferred to Surplus		70,927
		<hr/>
Total Net Revenues	\$	74,493

Note: Legislation enacted in 2003 reduced the holding period for unclaimed property from five to four years, and from four to three years one year later. Effective for property presumed abandoned for reporting periods ending on or after June 30, 2002.

Detail may not sum to totals due to rounding.

## ALCOHOL AND TOBACCO TAXES

---

During fiscal year 2010, the Comptroller's Office collected \$436.9 million in alcohol and tobacco tax revenues for the state General Fund.

Table 7 presents a two-year comparison of alcohol and tobacco tax revenues.

TABLE 7  
COMPARISON OF ALCOHOL AND TOBACCO REVENUES  
(Dollars in Thousands)

	<b>FY 2010</b>	<b>FY 2009</b>	<b>% Change</b>
Distilled Spirits Tax	\$ 15,153	\$ 14,708	3.03
Wine Tax	5,600	\$ 5,365	4.37
Beer Tax	9,121	\$ 9,095	0.29
Tobacco Tax*	405,915	\$ 405,579	0.08
Other Receipts	1,114	\$ 1,009	10.41
Total Net Receipts	<u>\$ 436,903</u>	<u>\$ 435,756</u>	<u>0.26</u>

( ) denotes decrease

\*Federal Tobacco Tax rate increased from \$0.39/pack to \$1.0066/pack on April 1, 2009.

Detail may not sum to totals due to rounding.

# MOTOR FUEL TAXES

During fiscal year 2010, the Comptroller's Office collected \$720.2 million in motor fuel tax revenues. Table 8 presents a two-year comparison of motor fuel tax receipts.

TABLE 8  
MOTOR FUEL TAX RECEIPTS  
*(Dollars in Thousands)*

	FY 2010	FY 2009	% Change
Dealer Receipts	\$ 622,863	\$ 634,729	(1.87)
Special Fuels Receipts	115,209	110,938	3.85
Sellers of Jet Fuel & Aviation	945	744	27.02
Motor Carrier Temporary Permits	118	147	(19.73)
Miscellaneous Revenues	514	206	149.51
Refunds	(23,409)	(14,979)	56.28
<hr/>			
Net Revenues Subtotal	\$ 716,240	\$ 731,785	(2.12)
IFTA Collections	7,756	11,238	(30.98)
IFTA Refunds	(3,824)	(6,918)	(44.72)
<hr/>			
Net Revenues	\$ 720,172	\$ 736,105	(2.16)

( ) denotes decrease

Net motor fuel tax revenues are distributed among the general fund and selected special funds on the basis of a statutory formula. The following table presents the revenues that were distributed to each of the various funds during fiscal year 2010.

TABLE 9  
DISTRIBUTION OF MOTOR FUEL TAX REVENUES  
*(Dollars in Thousands)*

Motor Carriers Taxes & Fees to the Gasoline & Motor Vehicle Account	\$	7,874
Administrative Expenses		9,054
Transportation Trust Fund (Jet Fuel & Aviation)		945
Gasoline & Motor Vehicle Account of the Transportation Trust Fund		151,551
General Fund		8,386
Chesapeake Bay 2009 Trust Fund		4,301
Gasoline and Motor Vehicle Revenue:		
Balance to Gasoline & Motor Vehicle Account of the Transportation Trust Fund		538,061
Total Gasoline & Motor Vehicle Account	\$	697,486
Additional General Fund		136,010
Department of Transportation		488,240
Counties, Baltimore City, and Municipalities		73,236
Total		<u>\$ 720,172</u>

Detail may not sum to totals due to rounding.

Due to law changes, the Fisheries R&D Fund, General Fund for Chesapeake Bay Related Programs & Waterways Improvement Fund are no longer collected by the Comptroller's Office.

# GROSS MOTOR FUEL GALLONAGE REVENUE STATEMENT

TABLE 10  
GROSS MOTOR FUEL GALLONAGE & REVENUE STATEMENT  
FISCAL YEAR 2010

(Dollars in Thousands)

		<b>Actual Gallons</b>			
Gross Gallons Reported		3,149,343,283			
Less Adjustments:					
Temperature & stock adjustments	7,649,120				
Federal exempt purchases	1,734,158				
Cost of collection allowance	<u>16,872,370</u>				
Less total adjustments		<u>26,255,648</u>			
Total taxable motor fuel gallons:		<u><u>3,123,087,635</u></u>			
		<b>Actual Gallons</b>	<b>Revenue</b>		
Motor vehicle fuel dealers		2,649,962,586	\$ 622,863	*	
Special fuel		473,125,049	\$ 115,209	*	
Total taxable gallons sold:		<u><u>3,123,087,635</u></u>	<u><u>\$ 738,072</u></u>		
Sellers of jet fuel and aviation		13,500,217	\$ 945		
Motor carrier collections:					
Motor carrier permits	\$ 118				
IFTA Taxes- MD based carriers	2,623				
IFTA Taxes- from other jurisdictions	4,920				
IFTA Tax assessments	<u>213</u>				
Total motor carrier collections			7,874		
Penalties and interest			514		
Dishonored check fee			-		
Canadian exchange			-		
Total gross revenue			<u><u>\$ 747,405</u></u>		

\*Modified accrual basis of accounting

Detail may not sum to totals due to rounding.

## OTHER REVENUES COLLECTED

---

### ENVIRONMENTAL SURCHARGE ON ELECTRICITY

The Comptroller's Office also collects and distributes to the Environmental Trust Fund revenue collected from the environmental surcharge on electricity delivered in Maryland. This revenue is used to fund the Department of Natural Resources' Power Plant and Environmental Review Division and the Chesapeake Bay Research and Monitoring Division. During fiscal year 2010, \$11.9 million was collected from this revenue source.

### EMERGENCY TELEPHONE SYSTEM SURCHARGE (911 FEE)

The Comptroller's Office collects the emergency telephone system surcharge. This revenue is used to fund local emergency 911 telephone systems. During fiscal year 2010, \$54.5 million was collected from this revenue source.

### TELECOMMUNICATIONS ACCESS SURCHARGE

The Comptroller's Office collects the telecommunications access surcharge. This revenue is used to provide telephone service to the hearing and speech impaired citizens of Maryland. During fiscal year 2010, \$5.1 million was collected from this revenue source.

### TIRE RECYCLING FEE

The Comptroller's Office is responsible for collecting the tire recycling fee. The proceeds go to a special fund administered by the Department of the Environment for scrap tire removal and recycling. During fiscal year 2010, \$3.7 million was collected from this revenue source.

### ESTATE TAX

The Comptroller's Office collects the estate tax from the executors and administrators of Maryland-situs estates. During fiscal year 2010, \$126.0 million was collected from this source and deposited into the general fund.

### ELECTRIC UNIVERSAL SERVICE SURCHARGE

The Comptroller's Office collects revenue from public utilities that are deposited into the Universal Service Program Fund. Public utilities collect the surcharge from their customers.

The program was established under Chapter 4, Acts of 1999 (House Bill 703) to assist low income Maryland electric customers with their bills.

During fiscal year 2010, \$36.2 million was collected and transferred to the Department of Human Resources, which administers the program.

### BAY RESTORATION FEE

The Comptroller's Office collects revenue from the billing authorities of local governments and facilities that provide wastewater disposal services to Maryland residents and businesses. This revenue is deposited into the Bay Restoration Fund, which was established under Chapter 428, Acts of 2004.

During fiscal year 2010, \$68.4 million was collected from the fee which will be used to upgrade Maryland's wastewater treatment plants and to fund cover crop activities under a water quality costs share program administered by the Department of Agriculture.

## OTHER REVENUES COLLECTED

---

### INCOME TAX

#### **Senate Bill 106 (Chapter 1) – Job Creation and Recovery Tax Credit**

Creates a State income tax credit for employers who hire qualified individuals on or after March 25, 2010 but before December 31, 2010. The amount of the credit is \$5,000 per eligible employee hired, not to exceed \$250,000 per taxpayer. A qualified employee is an individual who at the time of hiring (1) is a State resident; (2) is receiving unemployment insurance benefits or has exhausted unemployment insurance benefits within the past 12 months; and (3) is not employed full time.

#### **House Bill 475 (Chapter 487) – Smart, Green, and Growing - The Sustainable Communities Act of 2010**

Extends and alters the existing Heritage Structure Rehabilitation Tax Credit Program to be the Sustainable Communities Tax Credit Program, but retains the commercial program as a budgeted tax credit.

The bill also makes several changes to the program. Under the expiring program, the credit was generally equal to 20% of qualified rehabilitation expenditures, not to exceed \$3 million for commercial rehabilitations and \$50,000 for a single-family, owner-occupied residence. The bill retains these credit values and increases the value of the credit to 25% for a commercial rehabilitation that meets specified energy efficiency standards. Eligibility for the credit is also expanded to qualified rehabilitated (non-historic) commercial buildings located in certain communities.

Under the bill, the credit for these qualified rehabilitated structures is equal to 10% of qualified rehabilitation expenses; no more than 10% of commercial credits awarded in each fiscal

year may be awarded to these qualified rehabilitated structures.

#### **Senate Bill 64 (Chapter 20) – Maryland Research & Development Tax Credit – Sunset Extension**

Extends from June 30, 2012, to June 30, 2021, the termination date for research and development income tax credits awarded to businesses for Maryland qualified research and development expenses. The time period in which tax credits may be earned is extended to tax years 2011 through 2019.

#### **Senate Bill 221 (Chapter 252) – Tax Credits for Qualifying Employees with Disabilities – Sunset Extension**

Extends the Qualifying Employees with Disabilities Tax Credit, allowed for employers who hire qualified individuals with disabilities, through June 30, 2011, and authorizes credits to be claimed on behalf of individuals hired through that date.

#### **House Bill 464 (Chapter 493) – Maryland Clean Energy Incentive Act of 2010**

Extends the termination date of the clean energy incentive tax credit to December 31, 2015. The bill also (1) extends to January 1, 2016, the date by which a facility must begin producing qualified energy in order to claim the credit; (2) prohibits the Maryland Energy Administration from issuing an initial credit certificate for less than \$1,000; and (3) makes the credit refundable.

#### **Senate Bill 318 (Chapter 499)/House Bill 830 (Chapter 500) – Income Tax Checkoff for Developmental Disabilities**

Establish a Developmental Disabilities Waiting List Equity Fund Contribution checkoff on

## LEGISLATION ENACTED IN 2010

---

the individual income tax return. After the Comptroller deducts administrative expenses, contributions will be credited to the Waiting List Equity Fund within the Department of Health and Mental Hygiene.

### **Senate Bill 141 (Chapter 484) – Budget Reconciliation and Financing Act of 2010**

Includes a provision repealing an income tax checkoff on the individual income tax return for the Fair Campaign Financing Fund.

### **SALES TAX**

#### **Senate Bill 237 (Chapter 509)/House Bill 203 (Chapter 510) – Sales and Use Tax – Exemptions – Veterans’ Organizations**

Provide a State sales and use tax exemption for sales made to veterans’ organizations that are organized under § 501(c)(4) of the IRC. While many veterans organizations in Maryland are classified under § 501(c)(19) and are thus already exempt, some of the smaller organizations are classified under § 501(c)(4) while providing similar services as the organizations classified under § 501(c)(19).

#### **House Bill 855 (Chapter 706) – Sales and Use Tax – Exemption – Lodging at Corporate Training Center**

Exempts from the State sales and use tax the sale of a right to occupy a room or lodgings as a transient guest at a dormitory or other lodging facility that (1) is operated solely in support of a corporate or any other headquarters, training, conference, or awards facility or campus; (2) provides lodging solely for employees, contractors, vendors, and other invitees of the corporation that owns the dormitory or lodging facility; and (3) does not offer lodging services to the general public.

#### **Senate Bill 1081 (Chapter 650) – Rebate Program for Retail Sales – Collection of Sales and Use Tax**

Specifies that prior to a State agency issuing or authorizing a rebate to be issued by a nongovernment entity to reduce the cost of retail sales of household appliances under a program to promote energy efficiency, the State agency or nongovernment entity must require the buyer to certify that the household appliance was purchased in the State or that the applicable State sales and use tax was paid.

### **INHERITANCE TAX**

#### **House Bill 443 (Chapter 674) – Inheritance Tax - Exemption - Surviving Spouses of Predeceasing Descendants**

Exempts from the State inheritance tax the receipt of property that passes from a decedent to a surviving spouse of (1) a deceased child of the decedent; or (2) a deceased lineal descendent of a child of the decedent, if the surviving spouse has not remarried.

### **ESTATE TAX**

#### **Senate Bill 396 (Chapter 554) – Maryland Estate Tax - Pilot Program for Payment Deferral for Qualified Agricultural Property**

Requires the Comptroller to allow a payment deferral for up to three years for the Maryland estate tax imposed on qualified agricultural property that passes from a decedent to or for the use of a qualified recipient. The amount of tax eligible for deferral is the amount, up to a maximum of \$375,000, equal to the Maryland estate tax owed multiplied by the percentage resulting from dividing the value of the qualified agricultural property that passes from the decedent

## LEGISLATION ENACTED IN 2010

---

to or for the use of a qualified recipient by the value of the gross estate of the decedent.

### MISCELLANEOUS

#### **Senate Bill 283 (Chapter 192)/House Bill 470 (Chapter 193) – Higher Education Investment Fund - Tuition Stabilization and Funding**

Continues the allocation of 6% of the corporate income tax to the Higher Education Investment Fund.

#### **Senate Bill 141 (Chapter 484) – Budget Reconciliation and Financing Act of 2010**

Eliminates fiscal 2010 and 2011 transfers of local highway user revenues to the general fund and instead establishes a new allocation of funds credited to the Gasoline and Motor Vehicle Revenue Account (GMVRA). The new allocation includes a distribution to the general fund in addition to allocations to the Transportation Trust Fund (TTF) and to local highway user revenues. Also, mandates that the first \$129,000,000 of fiscal 2010 corporate income tax revenues be credited entirely to the general fund.

#### **House Bill 469 (Chapter 490) – Motor Vehicle Excise Tax - Tax Credit for Electric Vehicles**

Establishes a tax credit against the motor vehicle titling tax in an amount equal to 100% of the tax imposed for the purchase of qualified plug-in electric vehicles, not to exceed \$2,000.

The credit is limited to one vehicle per individual and 10 vehicles per business entity.

The credit is available for the purchase of a qualifying vehicle between October 1, 2010 and June 30, 2013.

#### **Senate Bill 657 (Chapter 589) / House Bill 590 (Chapter 590) – Recordation Taxes and State and County Transfer Taxes - Debt Forgiven in "Short Sale"**

Clarify that, for purposes of local recordation taxes and State and county transfer taxes, the consideration payable for an instrument of writing to which the taxes apply includes only the amount paid or delivered in return for the sale of the property and does not include any debt forgiven or no longer secured by a mortgage or deed of trust on the property.



# TAXPAYER ASSISTANCE INFORMATION

---

## Admissions and Amusement Tax

Contact: Revenue Administration Division  
Taxpayer Service Section  
301 West Preston Street  
Baltimore, Maryland 21201-2383

Or Call: In the Baltimore area ..... 410-767-1300  
Toll-free in Maryland..... 1-800-492-1751  
FAX ..... 410-767-1571  
E-mail - taxhelp@comp.state.md.us

## Alcohol and Tobacco Tax

Contact: Revenue Administration Division – Alcohol and Tobacco Tax Bureau  
Room 400  
P.O. Box 2999  
Revenue Administration Center  
Annapolis, Maryland 21404-2999

Or Call: Central Maryland ..... 410-260-7314  
Toll-free in Maryland..... 1-888-784-0145  
FAX ..... 410-974-3201  
E-mail - att@comp.state.md.us

## Death Taxes

Contact: Revenue Administration Division  
Estate Tax  
P.O. Box 828  
Annapolis, Maryland 21404-0828

Or Call: Central Maryland ..... 410-260-7850  
Toll-free in Maryland..... 1-800-MD-TAXES  
FAX ..... 410-974-2968  
E-mail - taxhelp@comp.state.md.us

## Income Tax

Contact: Revenue Administration Division  
Revenue Administration Center  
Annapolis, Maryland 21411-0001

Or Call: Central Maryland ..... 410-260-7980  
Toll-free from elsewhere ..... 1-800-MD-TAXES  
Tax Forms ..... 410-260-7951  
FAX ..... 410-974-5808  
E-mail - taxhelp@comp.state.md.us

## Motor Fuel Tax

Contact: Revenue Administration Division  
Motor Fuel Tax  
Room 400  
P.O. Box 1751  
Revenue Administration Center  
Annapolis, Maryland 21404-1751

Or Call: Central Maryland ..... 410-260-7131  
Toll-free in Maryland (Licensing) ..... 1-888-784-0142  
(IFTA Inquiries) ..... 1-888-784-0141  
FAX ..... 410-974-3129  
E-mail - mft@comp.state.md.us

**New Business Information**

Contact: Revenue Administration Division  
Taxpayer Service Section  
301 West Preston Street  
Baltimore, Maryland 21201-2383

Or Call: In the Baltimore area ..... 410-767-1313  
Toll-free in Maryland..... 1-800-492-1751  
FAX ..... 410-767-1571  
E-mail - taxhelp@comp.state.md.us

**Sales and Use Tax**

Contact: Revenue Administration Division  
Taxpayer Service Section  
301 West Preston Street  
Baltimore, Maryland 21201-2383

Or Call: In the Baltimore area ..... 410-767-1300  
Toll-free in Maryland..... 1-800-492-1751  
FAX ..... 410-767-1571  
E-mail - sut@comp.state.md.us

**Tire Recycling Fee**

Contact: Revenue Administration Division  
Taxpayer Service Section  
301 West Preston Street  
Baltimore, Maryland 21201-2383

Or Call: Central Maryland ..... 410-767-1300  
Toll-free in Maryland..... 1-800-492-1751  
FAX ..... 410-767-1571  
E-mail - taxhelp@comp.state.md.us

**Unclaimed Property**

Contact: Unclaimed Property Section  
Compliance Division  
301 West Preston Street  
Baltimore, Maryland 21201-2385

Or Call: In the Baltimore area ..... 410-767-1700  
Toll-free from elsewhere ..... 1-800-782-7383  
FAX ..... 410-333-7150  
E-mail - unclaim@comp.state.md.us

**Utility Surcharges (Environmental Surcharge on Electricity, Emergency Telephone System Surcharge (911 Fee), Telecommunications Access Surcharge and Electric Universal Service Surcharge)**

Contact: Revenue Administration Division  
Revenue Accounting  
Revenue Administration Center  
Annapolis, Maryland 21411-0001

Or Call: In the Baltimore area ..... 410-260-7782  
Toll-free from elsewhere ..... 1-800-MD-TAXES  
FAX ..... 410-974-2803  
E-mail - taxhelp@comp.state.md.us

FOR TAX INFORMATION, VISIT THE COMPTROLLER'S WEB SITE:

[www.marylandtaxes.com](http://www.marylandtaxes.com)