A G E N D A I T E M S U M M A R Y

Reference No: CR-58-1992

Draft No: 2

P r i n c e G e o r g e ' s

C o u n t y C o u n c i l

Meeting Date: 5/26/92

Requester: P

Item Title: A Resolution for the purpose of providing that the County income tax rate shall be increased to 60% of the State income tax

Sponsors P D F C B

Date Presented __/__/__ **Executive Action** __/__/__ __
Committee Referral (1) 5/19/92 C.O.W. **Effective Date** __/__/__
Committee Action (1) 5/26/92 FAV(A)
Date Introduced 5/19/92
Pub. Hearing Date (1) __/__/__ __:__ __

Council Action (1) 5/26/92 Adopted
Council Votes CA: N_, B_: A_, C_: A_, D_: A_, F_: A_, MC: N_, M_: N_, P_: A_, WI: N_, __: __, __: __, __: __
Pass/Fail P

Remarks _____

Drafter: Ralph E. Grutzmacher, Legislative Officer

Resource Personnel:

LEGISLATIVE HISTORY

COMMITTEE OF THE WHOLE DATE: 5/26/92

Draft 2 would increase the County income tax rate to 60% for calendar years 1992, 1993 and 1994 and revert to 50% on January 1, 1995. Draft 2 also identifies plans to provide tax relief for qualifying persons in the transfer tax and the energy tax to further reduce the deficit and to reduce appropriations to County agencies by $3,726,535 and to the Board of Education by $1,573,465.

BACKGROUND INFORMATION/FISCAL IMPACT
(Includes reason for proposal, as well as any unique statutory requirements)

The General Assembly authorized Counties to increase county income tax rates from a maximum of 50% to a new maximum of 60% of the State income tax. This tax has been commonly known as the piggyback tax. The County Executive has proposed an increase of the piggyback tax rate for calendar year 1992 (retroactively to January 1, 1992) and fiscal year

1993 (July 1, 1992 to June 30, 1993) at the maximum rate of 60%.