

State Aid for Police Protection Fund -
[[Population Density]] Increase Aid, Inheritance Tax -
Tax on Collaterals, Income Tax - Definition of Net
Income, and Cigarette Tax - Increase in Rate

FOR the purpose of increasing the aid [[to certain subdivisions with a population density above a certain percentage]] to the counties and municipalities from the State Aid for Police Protection Fund by changing per capita amounts, adjusting population densities and percent of population in municipalities, and increasing the minimum guarantee; providing a certain inheritance tax rate on every certain amount of clear value of property having a taxable situs in this State; deleting from modifications made with respect to the net income of a corporation (1) the subtraction of 50 percent of the excess of net long-term capital gain over short-term capital loss and (2) the addition of the net operating loss deduction as defined in Section 172 of the Internal Revenue Code; deleting from the modifications made with respect to the net income of an individual taxpayer the addition of the net operating loss as defined in Section 172 of the Internal Revenue Code; increasing the tax on cigarettes, changing the discount and method of distributing the revenues from the tax on cigarettes; providing for an appropriation for the 1975-1976 fiscal year of the funds necessary for the increasing State Aid for Police Protection; and relating generally to increasing State Aid for Police Protection through imposing an increase in the tax on certain inheritances, adjustments in the definition of net income, and an increase in the tax on cigarettes.

May 15, 1975.

Honorable John Hanson Briscoe
 Speaker of the House of Delegates
 State House
 Annapolis, Maryland

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 1170.

This bill, after a tortured legislative history, ended up as a supplementary appropriation bill, appropriating the sum of \$11,551,500 for additional police protection aid to the subdivisions. To finance the appropriation, the cigarette tax was increased from six-cents to eight cents a pack, certain adjustments were