

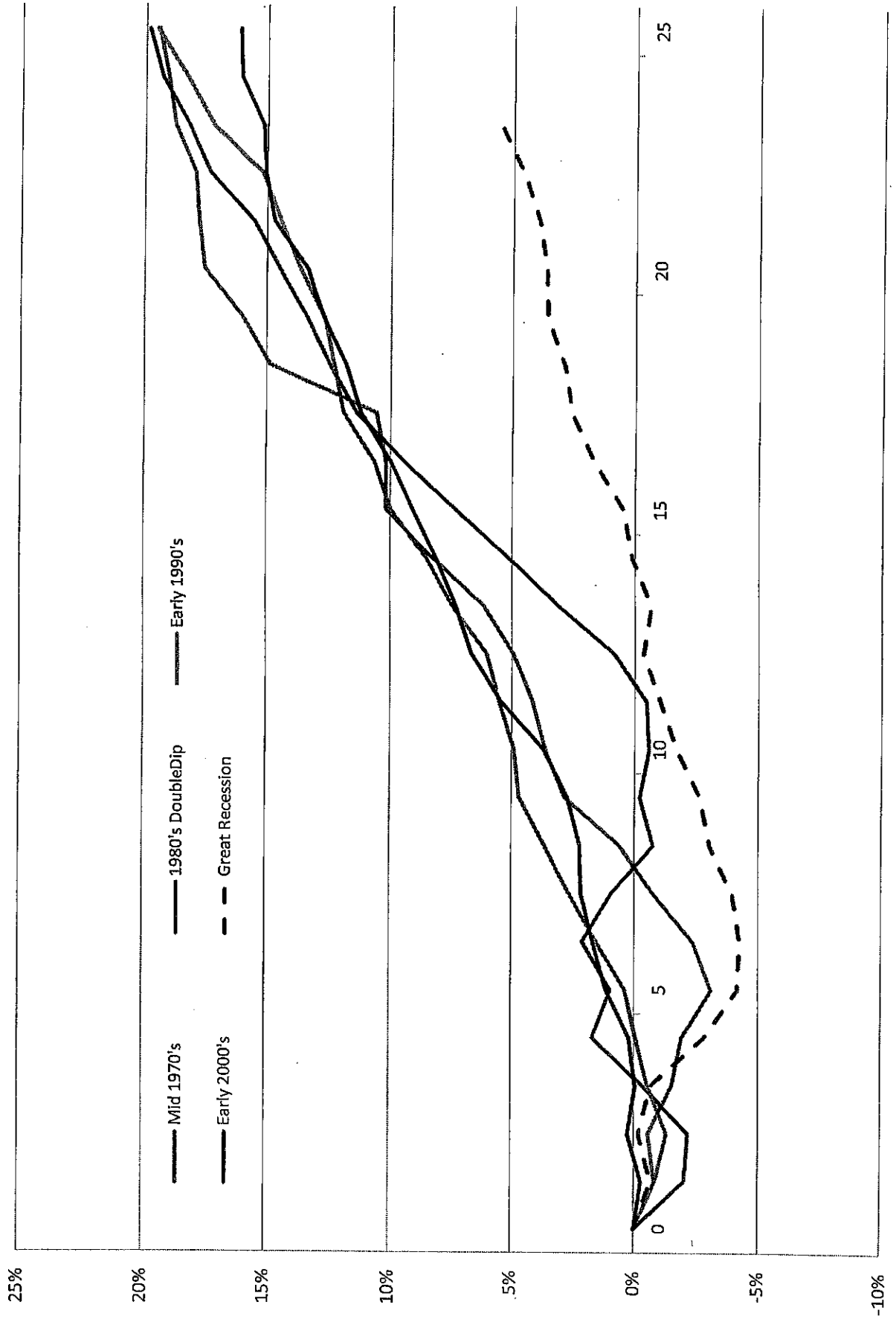
Table 4
Maryland General and Budget Restoration Fund Revenues
 Fiscal Years 2013 - 2015

| \$ Thousands | FY 2014 | | | | FY 2015 | | | | |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------|----------------------|----------------------|---------------------|--------------|
| | FY 2013 Actual | September Estimate | December Estimate | Difference | Growth | September Estimate | December Estimate | Difference | Growth |
| INCOME TAXES: | | | | | | | | | |
| Individual Corporation | 7,691,381 818,221 | 8,072,825 755,511 | 8,042,121 716,800 | (30,704) (38,711) | 4.6% -12.4% | 8,446,527 824,931 | 8,550,950 783,185 | 104,423 (41,746) | 6.3% 9.3% |
| Total | 8,509,602 | 8,828,336 | 8,758,921 | (69,415) | 2.9% | 9,271,458 | 9,334,135 | 62,677 | 6.6% |
| SALES AND USE TAXES | 4,067,791 | 4,192,543 | 4,150,681 | (41,862) | 2.0% | 4,352,630 | 4,365,203 | 12,573 | 5.2% |
| STATE LOTTERY | 525,989 | 508,231 | 501,094 | (7,137) | -4.7% | 481,589 | 502,689 | 21,100 | 0.3% |
| OTHER REVENUES | | | | | | | | | |
| Business Franchise Taxes | 201,561 | 197,997 | 211,834 | 13,837 | 5.1% | 200,933 | 215,409 | 14,476 | 1.7% |
| Tax on Insurance Companies | 303,756 | 297,309 | 310,112 | 12,803 | 2.1% | 293,606 | 317,883 | 24,277 | 2.5% |
| Estate and Inheritance Taxes | 234,615 | 227,056 | 203,290 | (23,766) | -13.4% | 230,549 | 224,279 | (6,270) | 10.3% |
| Tobacco Tax | 415,947 | 409,406 | 412,973 | 3,567 | -0.7% | 408,459 | 411,988 | 3,529 | -0.2% |
| Alcoholic Beverages Excise Tax | 31,162 | 31,472 | 30,859 | (613) | -1.0% | 31,999 | 31,383 | (616) | 1.7% |
| Motor Vehicle Fuel Tax | 13,000 | 5,000 | 5,000 | 0 | -61.5% | 5,000 | 5,000 | 0 | 0.0% |
| District Courts | 75,476 | 75,862 | 80,748 | 4,886 | 7.0% | 75,813 | 75,813 | 0 | -6.1% |
| Clerks of the Court | 38,546 | 39,330 | 48,000 | 8,670 | 24.5% | 40,960 | 49,811 | 8,851 | 3.8% |
| Hospital Patient Recoveries | 64,461 | 60,076 | 56,918 | (3,158) | -11.7% | 51,076 | 57,416 | 6,340 | 0.9% |
| Interest on Investments | 14,508 | 15,000 | 15,000 | 0 | 3.4% | 20,361 | 20,361 | 0 | 35.7% |
| Miscellaneous | 371,113 | 355,542 | 355,933 | 391 | -4.1% | 322,168 | 318,912 | (3,256) | -10.4% |
| Total | 1,764,145 | 1,714,049 | 1,730,667 | 16,618 | -1.9% | 1,680,922 | 1,728,255 | 47,333 | -0.1% |
| Total Current Revenues | 14,867,527 | 15,243,158 | 15,141,363 | (101,795) | 1.8% | 15,786,599 | 15,930,282 | 143,683 | 5.2% |
| Extraordinary Revenues ¹ | 17,483 | 0 | 0 | 0 | -100.0% | 0 | 0 | 0 | |
| Transfer Tax Revenues ² | 0 | 89,199 | 89,199 | 0 | | 75,062 | 75,062 | 0 | -15.8% |
| GRAND TOTAL | 14,885,010 | 15,332,357 | 15,230,562 | (101,795) | 2.3% | 15,861,661 | 16,005,344 | 143,683 | 5.1% |

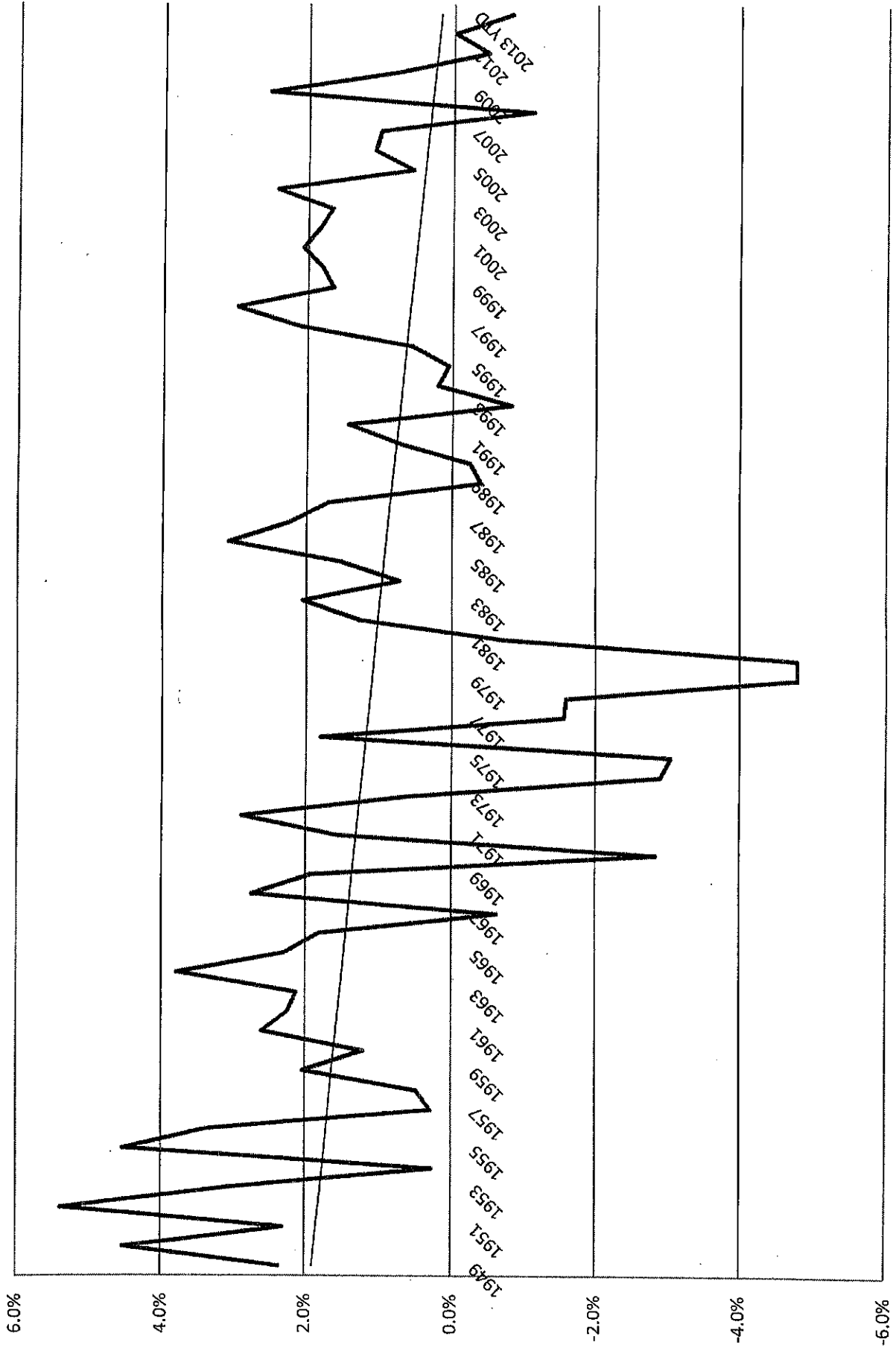
¹ Extraordinary revenues include a GAAP transfer of \$17.5 million in fiscal year 2013.

² Chapter 425 of the 2013 Legislative Session directs a portion of transfer tax revenues to the general fund: \$89.2 million in fiscal year 2014 and \$75.1 million in fiscal year 2015

Historic National Recessions -- Quarters to Regain Prior Peak Real GDP



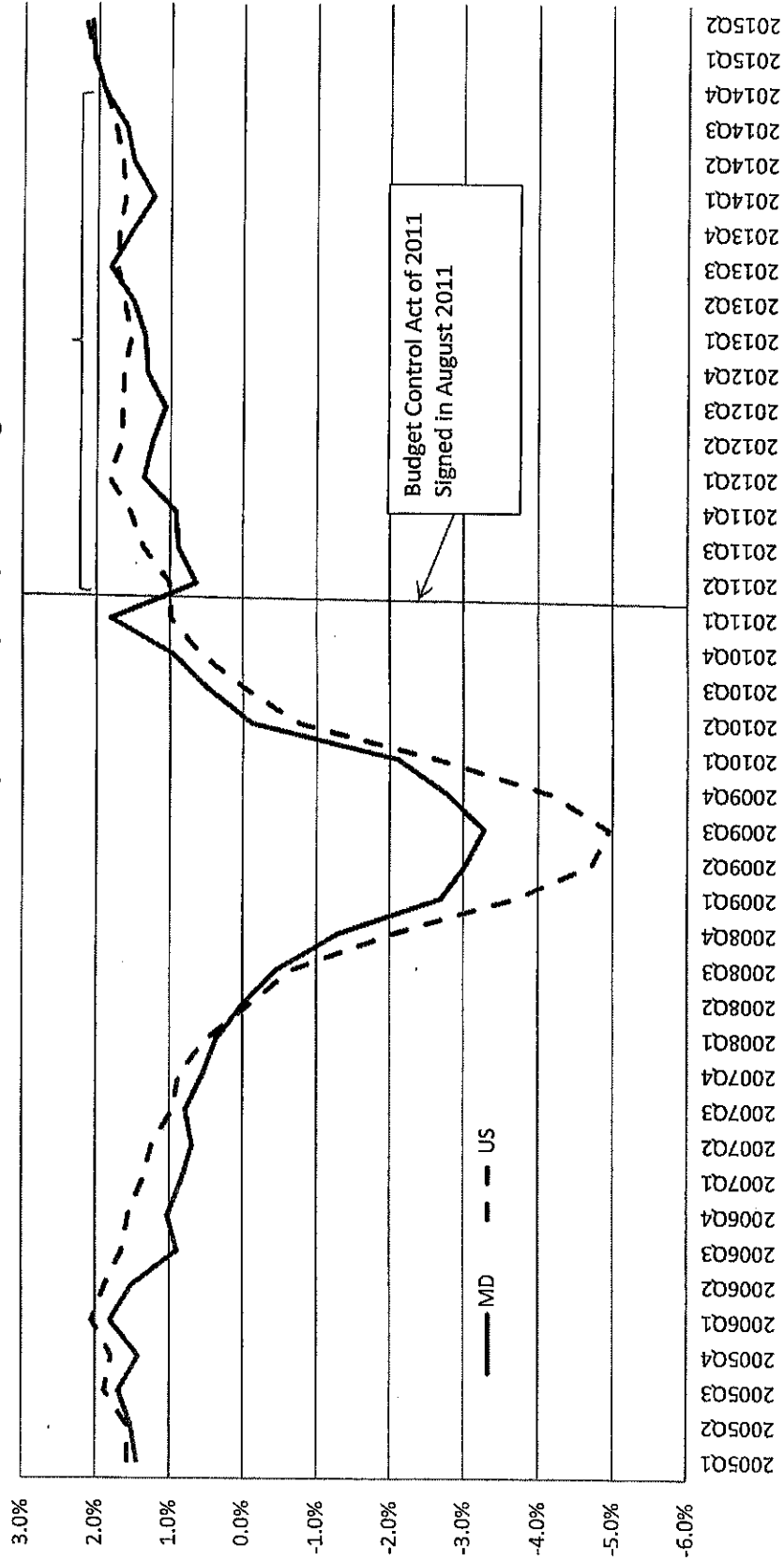
Real Average Wage Growth in Maryland -- Year-Over-Year Change



September 2013 Baseline Macro vs. Sequestration

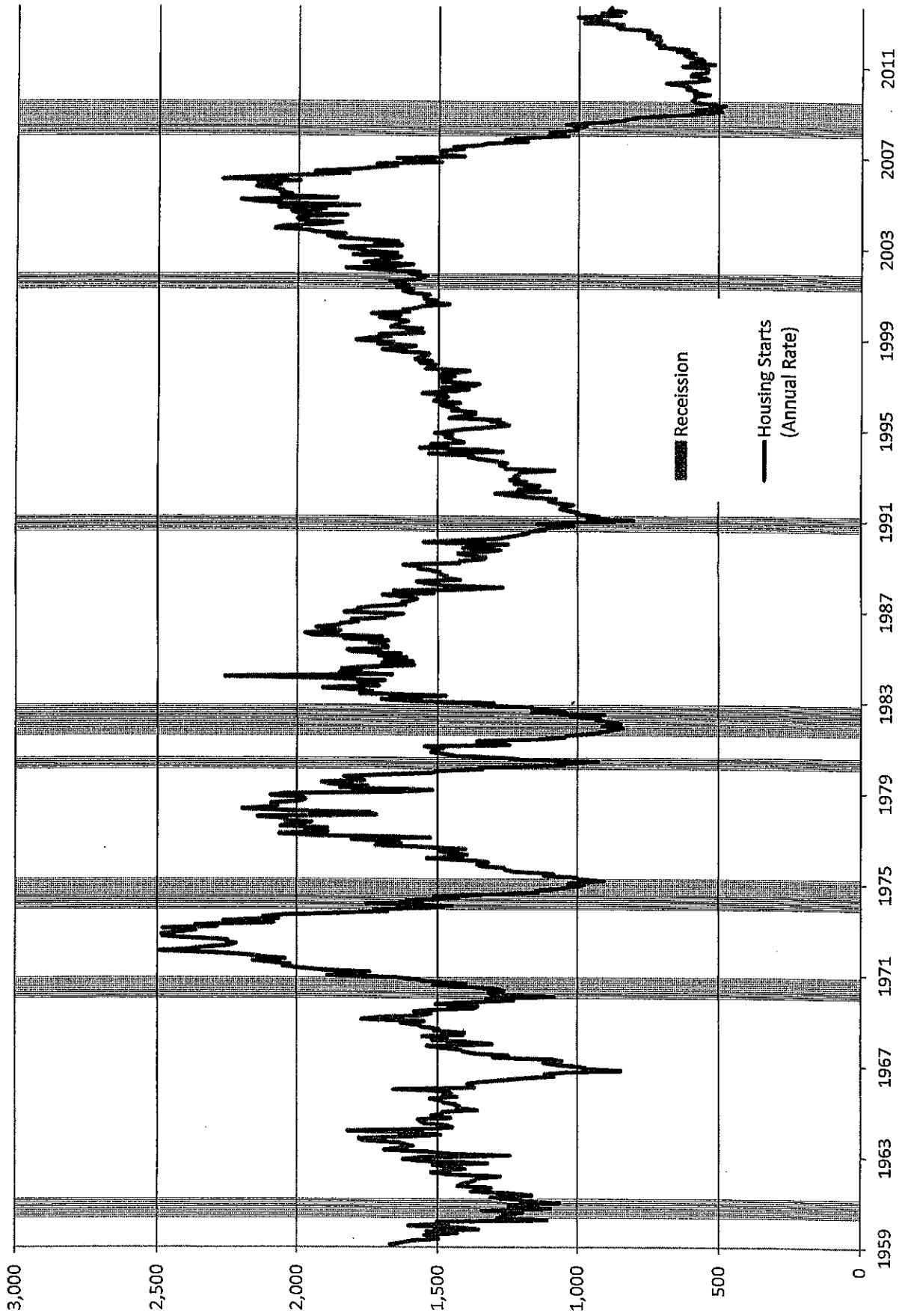
| Calendar Year | Employment | | Employment Sequestration | | Effect (thousands) | | W&S | | W&S Sequestration | | Effect (millions) | | PI | | PI Sequestration | | Effect (millions) | |
|---------------|------------|---------------|--------------------------|---------------|--------------------|---------------|----------|---------------|-------------------|---------------|-------------------|---------------|----------|---------------|------------------|---------------|-------------------|---------------|
| | Baseline | Sequestration | Baseline | Sequestration | Baseline | Sequestration | Baseline | Sequestration | Baseline | Sequestration | Baseline | Sequestration | Baseline | Sequestration | Baseline | Sequestration | Baseline | Sequestration |
| 2010 | -0.2% | -0.2% | - | - | - | - | 2.1% | 2.1% | 2.1% | 2.1% | - | - | 3.5% | 3.5% | 3.5% | 3.5% | - | - |
| 2011 | 1.4% | 1.1% | (7.9) | (7.9) | 3.9% | 3.6% | 3.9% | 3.6% | 3.9% | 3.6% | (472) | (472) | 5.2% | 5.0% | 5.2% | 5.0% | (600) | (600) |
| 2012 | 1.6% | 1.2% | (17.8) | (17.8) | 3.4% | 3.0% | 3.4% | 3.0% | 3.4% | 3.0% | (1,065) | (1,065) | 3.8% | 3.5% | 3.8% | 3.5% | (1,354) | (1,354) |
| 2013 | 1.3% | 1.2% | (20.3) | (20.3) | 2.1% | 2.0% | 2.1% | 2.0% | 2.1% | 2.0% | (1,257) | (1,257) | 2.1% | 2.0% | 2.1% | 2.0% | (1,581) | (1,581) |
| 2014 | 1.6% | 1.5% | (24.5) | (24.5) | 4.0% | 3.9% | 4.0% | 3.9% | 4.0% | 3.9% | (1,510) | (1,510) | 4.3% | 4.2% | 4.3% | 4.2% | (1,901) | (1,901) |
| 2015 | 1.8% | 1.8% | (25.0) | (25.0) | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | 4.4% | (1,661) | (1,661) | 4.3% | 4.3% | 4.3% | 4.3% | (2,090) | (2,090) |

MD vs US Employment Growth (MA Forecast) -- Sequester Timing?

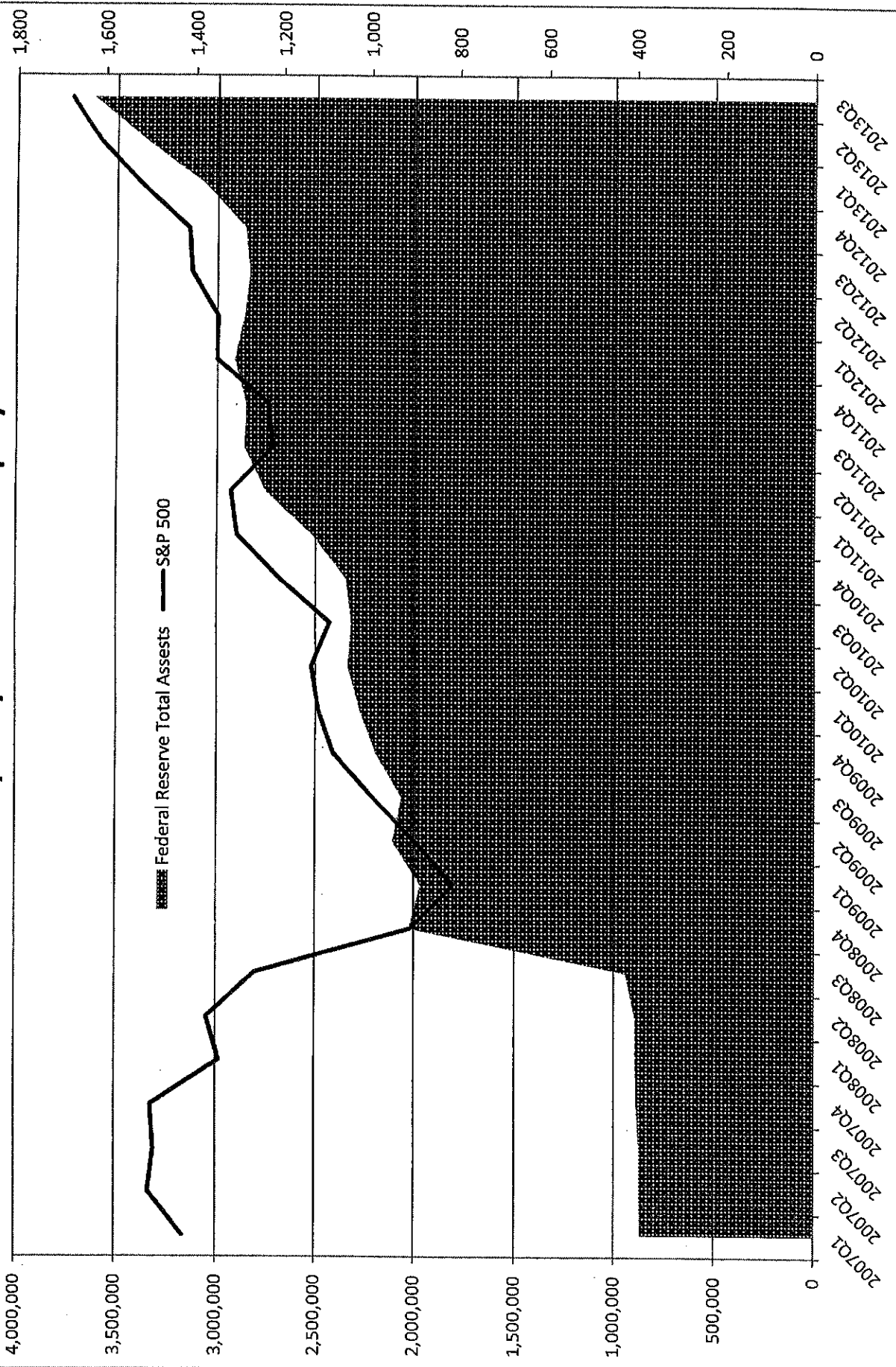


4

National Housing Starts



Federal Reserve Liquidity Actions and Equity Prices



Individual Income Tax - December 2013

| | September | | December | | Difference | | FY 16 | FY 17 | FY 18 |
|------------------|-----------|--------|----------|---------|------------|-------|---------|---------|---------|
| | FY 14 | FY 15 | FY 14 | FY 15 | FY 14 | FY 15 | | | |
| WH | 11,379 | 12,265 | 11,753 | 12,297 | (3) | 33 | 12,969 | 13,665 | 14,367 |
| Est | 1,647 | 1,835 | 1,815 | 1,923 | 60 | 87 | 2,055 | 2,179 | 2,299 |
| Fiduciary | 94 | 110 | 102 | 110 | 1 | 0 | 119 | 128 | 139 |
| Final | 1,650 | 1,933 | 1,852 | 1,947 | 11 | 14 | 2,060 | 2,188 | 2,322 |
| Gross | 14,770 | 16,143 | 15,523 | 16,277 | 68 | 134 | 17,202 | 18,161 | 19,126 |
| Refunds | 2,370 | 2,504 | 2,413 | 2,506 | (1) | 2 | 2,641 | 2,789 | 2,939 |
| Net | 12,400 | 13,638 | 13,110 | 13,771 | 69 | 133 | 14,560 | 15,372 | 16,188 |
| Local Share Calc | 4,712 | 5,190 | 4,966 | 5,218 | 0 | 28 | 5,517 | 5,825 | 6,134 |
| Local Manual | | | 100 | - | 100 | - | | | |
| Checkoffs | 1 | 2 | 2 | 2 | | | 2 | 2 | 2 |
| GF | 7,686 | 8,447 | 8,042 | 8,551 | (31) | 104 | 9,041 | 9,545 | 10,052 |
| Calc Local Share | 38.00% | 38.05% | 37.881% | 37.892% | | | 37.892% | 37.892% | 37.892% |
| | | | FY 14 | FY 15 | | | | | |
| WH | | 4.3% | 3.3% | 4.6% | | | 5.5% | 5.4% | 5.1% |
| Est | | 4.5% | 10.2% | 5.9% | | | 6.9% | 6.0% | 5.5% |
| Fiduciary | | 8.7% | 9.0% | 7.5% | | | 8.0% | 7.9% | 8.1% |
| Final | | 4.9% | 12.3% | 5.1% | | | 5.8% | 6.2% | 6.1% |
| Gross | | 4.5% | 5.1% | 4.9% | | | 5.7% | 5.6% | 5.3% |
| Refunds | | 3.7% | 1.8% | 3.9% | | | 5.4% | 5.6% | 5.4% |
| Net | | 4.6% | 5.7% | 5.0% | | | 5.7% | 5.6% | 5.3% |
| Local | | 4.5% | 5.4% | 5.1% | | | 5.7% | 5.6% | 5.3% |
| Checkoffs | | 0.0% | 34.4% | 0.0% | | | 0.0% | 0.0% | 0.0% |
| GF | | 4.6% | 4.6% | 6.3% | | | 5.7% | 5.6% | 5.3% |

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Baseline and Adjustments for Gross Forecast

| FY 13 | 2007 | | 2008 & 2012 | | FY 16 | 2007 Baseline | 2008 & 2012 | | FY 17 | 2007 Baseline | 2008 & 2012 | |
|--------------|-----------------|-------------|--------------|-----------------|-------------|------------------|-------------|--------------|-----------------|------------------|-----------------|----------------|
| | Baseline | Changes | Forecast | Gross Forecast | | | Baseline | Changes | | | Forecast | Gross Forecast |
| WH | 11,404.6 | 1.9% | (25.5) | 11,379.2 | 2.5% | 12,890.3 | 5.4% | 59.8 | 12,890.3 | 5.4% | 12,950.1 | 5.6% |
| Est | 1,518.0 | 14.1% | 129.0 | 1,647.0 | 18.2% | 1,764.4 | 6.3% | 244.9 | 1,764.4 | 6.3% | 2,009.3 | 6.9% |
| Fido | 78.3 | 44.2% | 15.7 | 94.0 | 53.8% | 100.4 | 8.2% | 18.6 | 100.4 | 8.2% | 119.0 | 8.0% |
| Fin | 1,583.3 | 18.0% | 66.4 | 1,649.7 | 22.9% | 2,059.7 | 5.8% | - | 2,059.7 | 5.8% | 2,059.7 | 5.8% |
| Ref | 2,467.2 | 1.4% | 97.0 | 2,370.2 | -2.6% | 2,641.3 | 5.4% | - | 2,641.3 | 5.4% | 2,641.3 | 5.4% |
| | <u>12,117.0</u> | <u>5.5%</u> | <u>282.7</u> | <u>12,399.7</u> | <u>8.1%</u> | <u>14,173.4</u> | <u>5.6%</u> | <u>323.2</u> | <u>14,173.4</u> | <u>5.6%</u> | <u>14,496.6</u> | <u>5.7%</u> |
| FY 14 | | | | | | | | | | | | |
| WH | 11,703.2 | 2.6% | 33.5 | 11,736.7 | 3.1% | 13,572.5 | 5.3% | 73.8 | 13,572.5 | 5.3% | 13,646.2 | 5.4% |
| Est | 1,549.1 | 2.0% | 198.2 | 1,747.4 | 6.1% | 1,858.6 | 5.3% | 270.2 | 1,858.6 | 5.3% | 2,128.7 | 5.9% |
| Fido | 86.5 | 10.5% | 15.9 | 102.4 | 9.0% | 108.8 | 8.4% | 19.5 | 108.8 | 8.4% | 128.3 | 7.9% |
| Fin | 1,810.7 | 14.4% | 13.6 | 1,824.2 | 10.6% | 2,188.2 | 6.2% | - | 2,188.2 | 6.2% | 2,188.2 | 6.2% |
| Ref | 2,427.2 | -1.6% | 14.1 | 2,413.1 | 1.8% | 2,788.8 | 5.6% | - | 2,788.8 | 5.6% | 2,788.8 | 5.6% |
| | <u>12,722.3</u> | <u>5.0%</u> | <u>275.3</u> | <u>12,997.6</u> | <u>4.8%</u> | <u>14,939.3</u> | <u>5.4%</u> | <u>363.4</u> | <u>14,939.3</u> | <u>5.4%</u> | <u>15,302.7</u> | <u>5.6%</u> |
| FY 15 | | | | | | | | | | | | |
| WH | 12,233.4 | 4.5% | 46.0 | 12,279.4 | 4.6% | 14,259.3 | 5.1% | 88.5 | 14,259.3 | 5.1% | 14,347.8 | 5.1% |
| Est | 1,660.0 | 7.2% | 220.5 | 1,880.4 | 7.6% | 1,948.9 | 4.9% | 297.2 | 1,948.9 | 4.9% | 2,246.0 | 5.5% |
| Fido | 92.8 | 7.2% | 17.4 | 110.1 | 7.5% | 118.0 | 8.4% | 20.8 | 118.0 | 8.4% | 138.7 | 8.1% |
| Fin | 1,947.0 | 7.5% | - | 1,947.0 | 6.7% | 2,321.7 | 6.1% | - | 2,321.7 | 6.1% | 2,321.7 | 6.1% |
| Ref | 2,506.0 | 3.2% | - | 2,506.0 | 3.9% | 2,938.8 | 5.4% | - | 2,938.8 | 5.4% | 2,938.8 | 5.4% |
| | <u>13,427.1</u> | <u>5.5%</u> | <u>283.8</u> | <u>13,710.9</u> | <u>5.5%</u> | <u>15,709.0</u> | <u>5.2%</u> | <u>406.5</u> | <u>15,709.0</u> | <u>5.2%</u> | <u>16,115.4</u> | <u>5.3%</u> |

Note: This page does not include adjustments to gross forecast for the Pease limitation or adjustments for LIT Rate Changes

Comptroller of Maryland
Revenue Administration Division
Local Tax Liability through November 1st
For Tax Years 2012, 2011, and 2010
Table 4

| | 2012 | Inc (Dec) | % | 2011 | Inc (Dec) | % | 2010 |
|------------------|-------------------------|-----------------------|--------------|-------------------------|-----------------------|--------------|-------------------------|
| | \$ | \$ | % | \$ | \$ | % | \$ |
| Allegany | 25,658,286 | 523,063 | 2.1 | 25,135,223 | (95,608) | (0.4) | 25,230,831 |
| Anne Arundel* | 387,106,107 | 27,314,642 | 7.6 | 359,791,465 | 14,229,504 | 4.1 | 345,561,961 |
| Baltimore County | 587,013,073 | 65,794,388 | 12.6 | 521,218,685 | 22,840,624 | 4.6 | 498,378,061 |
| Baltimore City | 252,402,908 | 15,350,295 | 6.5 | 237,052,613 | 20,323,638 | 9.4 | 216,728,975 |
| Calvert | 63,189,621 | 3,989,031 | 6.7 | 59,200,590 | 2,116,010 | 3.7 | 57,084,580 |
| Caroline | 11,046,998 | 487,461 | 4.6 | 10,559,537 | 240,309 | 2.3 | 10,319,228 |
| Carroll | 127,611,871 | 8,917,466 | 7.5 | 118,694,405 | 6,786,125 | 6.1 | 111,908,280 |
| Cecil | 49,371,353 | 2,588,087 | 5.5 | 46,783,266 | 1,388,130 | 3.1 | 45,395,136 |
| Charles | 91,393,241 | 3,849,336 | 4.4 | 87,543,905 | 2,833,043 | 3.3 | 84,710,862 |
| Dorchester | 10,744,267 | 720,813 | 7.2 | 10,023,454 | 65,721 | 0.7 | 9,957,733 |
| Frederick | 174,308,731 | 11,565,461 | 7.1 | 162,743,270 | 5,071,560 | 3.2 | 157,671,710 |
| Garrett | 10,547,582 | 58,689 | 0.6 | 10,488,893 | 609,302 | 6.2 | 9,879,591 |
| Harford | 178,778,826 | 12,234,487 | 7.3 | 166,544,339 | 8,904,146 | 5.6 | 157,640,193 |
| Howard | 353,436,690 | 34,343,149 | 10.8 | 319,093,541 | 18,604,917 | 6.2 | 300,488,624 |
| Kent | 12,248,997 | 2,846,089 | 30.3 | 9,402,908 | (5,686) | (0.1) | 9,408,594 |
| Montgomery | 1,259,631,971 | 119,671,151 | 10.5 | 1,139,960,820 | 58,422,575 | 5.4 | 1,081,538,245 |
| Prince George's | 460,079,703 | 19,010,096 | 4.3 | 441,069,607 | 19,156,364 | 4.5 | 421,913,243 |
| Queen Anne's* | 38,097,643 | 6,660,132 | 21.2 | 31,437,511 | 1,273,150 | 4.2 | 30,164,361 |
| St. Mary's | 72,621,152 | 3,566,959 | 5.2 | 69,054,193 | 3,608,347 | 5.5 | 65,445,846 |
| Somerset | 6,009,909 | 165,597 | 2.8 | 5,844,312 | (98,353) | (1.7) | 5,942,665 |
| Talbot | 25,013,073 | 2,478,867 | 11.0 | 22,534,206 | 1,057,874 | 4.9 | 21,476,332 |
| Washington | 65,808,126 | 3,744,242 | 6.0 | 62,063,884 | 1,856,736 | 3.1 | 60,207,148 |
| Wicomico | 40,537,015 | 1,768,693 | 4.6 | 38,768,322 | 35,944 | 0.1 | 38,732,378 |
| Worcester | 12,174,791 | 980,930 | 8.8 | 11,193,861 | 144,472 | 1.3 | 11,049,389 |
| | <u>\$ 4,314,831,934</u> | <u>\$ 348,629,124</u> | <u>8.8 %</u> | <u>\$ 3,966,202,810</u> | <u>\$ 189,368,844</u> | <u>5.0 %</u> | <u>\$ 3,776,833,966</u> |

*Note: Anne Arundel County's tax rate decreased to 2.49%, from 2.56% in tax year 2011
Queen Anne's County's tax rate increased to 3.20%, from 2.85% in tax year 2011

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