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# News from

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HALL OF RECORDS

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## 40 YEARS OF SALES TAX TELLS A LOT ABOUT HOW WE LIVE

The year was 1947.

All over the globe, people struggled to overcome the ravages of World War II. In June of that year, Secretary of State George Marshall announced the Marshall Plan to help rebuild Europe.

Life in the United States was returning to normal with one notable addition - television. The medium we now take for granted was just coming of age in 1947. "Candid Camera" made its debut that year, and in October President Harry S. Truman gave the first speech to be televised from the White House.

Here in Maryland things were happening, too. A group of volunteers met that fall and formed the Baltimore Colts Marching band.

Returning servicemen all over our state were marrying, buying new homes, starting families - and creating a demand for additional government services and facilities. Many of the existing facilities were woefully inadequate or in poor repair, as construction projects had been delayed because of the war.

Newly-elected Governor William Preston Lane proposed in his inaugural address to provide for better education, health and mental hygiene for Maryland's citizens; preserve Maryland's natural resources; and develop a system of modern highways, including a bridge across the Chesapeake Bay.

The problem was money. Governor Lane's proposed budget was \$18 million larger than the current one. To make matters worse, the Sherbow Commission, appointed by outgoing Governor Herbert R. O'Connor to study the distribution of tax revenues, recommended that more of the state's revenue should revert to the subdivisions. A completely new source of revenue was clearly called for.

Governor Lane's solution was a 2% tax on retail sales, estimated to yield \$18.4 million in the first year. Despite opposition from the leaders of both the State Senate and House of Delegates, a sales tax bill was introduced at the beginning of March. It was passed before the month was over, due in part to the efforts of the Senate floor leader, a freshman Senator from Calvert County named Louis L. Goldstein.

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