

HOUSE BILL 765

Q7

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By: **Delegates Kaiser, Bagnall, Boyce, Chang, Ebersole, Feldmark, Haynes, Healey, Hettleman, Krimm, R. Lewis, Lierman, Lisanti, Pena-Melnyk, Reznik, Terrasa, and K. Young**

Introduced and read first time: January 31, 2020

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Tax Revision Commission**

3 FOR the purpose of establishing the Maryland Tax Revision Commission; providing for the
4 composition, cochairs, and staffing of the Commission; prohibiting a member of the
5 Commission from receiving certain compensation, but authorizing the
6 reimbursement of certain expenses; requiring the Commission to study, consider,
7 and make recommendations regarding certain matters; requiring the Commission to
8 report its findings and recommendations to the Governor and the General Assembly
9 on or before a certain date; providing for the termination of this Act; and generally
10 relating to the Maryland Tax Revision Commission.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
12 That:

13 (a) There is a Maryland Tax Revision Commission.

14 (b) The Commission consists of:

15 (1) the following members, appointed by the Governor:

16 (i) two individuals who are experts in the field of taxation, such as
17 tax lawyers or public finance economists;

18 (ii) one representative of one or more important sectors of the
19 business community; and

20 (iii) one representative of the community, such as a leader of a public
21 interest group, labor union, civic association, or a tenant or housing association;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) the following members, appointed by the President of the Senate:

2 (i) one member of the Senate of Maryland;

3 (ii) two individuals who are experts in the field of taxation, such as
4 tax lawyers or public finance economists; and

5 (iii) one representative of one or more important sectors of the
6 business community;

7 (3) the following members, appointed by the Speaker of the House:

8 (i) one member of the House of Delegates;

9 (ii) two individuals who are experts in the field of taxation, such as
10 tax lawyers or public finance economists; and

11 (iii) one representative of one or more important sectors of the
12 business community; and

13 (4) the Comptroller of the Treasury, or the Comptroller's designee.

14 (c) The members appointed from the Senate of Maryland and the House of
15 Delegates shall cochair the Commission.

16 (d) The Department of Legislative Services shall provide staff for the
17 Commission.

18 (e) A member of the Commission:

19 (1) may not receive compensation as a member of the Commission; but

20 (2) is entitled to reimbursement for expenses under the Standard State
21 Travel Regulations, as provided in the State budget.

22 (f) The Commission shall:

23 (1) analyze the State's current tax systems in terms of revenue productivity
24 and stability, efficiency, simplicity of administration, and effect on the State's economy;

25 (2) propose innovative solutions for meeting the State's projected revenue
26 needs while recommending potential modifications to tax rates;

27 (3) identify economic activities that are either beneficial or detrimental to
28 the State's economy and that should either be encouraged or discouraged through tax
29 policy;

1 (4) establish a conceptual framework for evaluating current and future
2 taxes;

3 (5) identify unused or duplicative tax credits and abatements; and

4 (6) make recommendations regarding changes to the State's revenue
5 structure that:

6 (i) provide for fairness in apportionment of taxes;

7 (ii) broaden the tax base;

8 (iii) make the State's tax policy more competitive with surrounding
9 jurisdictions;

10 (iv) encourage business growth and job creation; and

11 (v) modernize, simplify, and increase transparency in the State's tax
12 code.

13 (g) On or before December 1, 2021, the Commission shall report its findings and
14 recommendations to the Governor and, in accordance with § 2-1257 of the State
15 Government Article, the General Assembly.

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
17 1, 2020. It shall remain effective for a period of 2 years and 1 month and, at the end of June
18 30, 2022, this Act, with no further action required by the General Assembly, shall be
19 abrogated and of no further force and effect.