

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1058
Ways and Means

(Delegate Kipke)

Office of the Comptroller - Tax Enforcement - Determination of Residency

This bill prohibits the Comptroller from considering or investigating a taxpayer's charitable contributions in the State when determining the residency of a taxpayer for income tax purposes. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: None. The bill does not materially affect the finances of the Comptroller's Office.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: To determine whether a tax return is correct or otherwise to enforce a provision of the Tax-General Article, a tax collector may (1) examine any records or other data that may be relevant or material to the matters required to be included in a tax return; (2) conduct an investigation; (3) hold a hearing; (4) administer oaths; (5) take testimony and other evidence; and (6) subpoena any person or any relevant document.

If a person fails to comply with a subpoena or fails to testify on any matter on which the person lawfully may be interrogated, on petition of a tax collector, a circuit court or, if the

subpoena is issued under authority of an orphans' court, the orphans' court may pass an order directing compliance with the subpoena or compelling testimony.

Additional Comments: The Comptroller's Office assumes that the provisions of the bill do not affect the Comptroller's ability to investigate and audit charitable contributions for the purpose of validating charitable donation claims by taxpayers.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Comptroller's Office; Department of Legislative Services

Fiscal Note History: First Reader - February 19, 2020
mm/hlb

Analysis by: Michael Sanelli

Direct Inquiries to:
(410) 946-5510
(301) 970-5510