

Testimony in Support of SB660
Office of the Comptroller – Taxpayer Advocate Division
Budget and Taxation Committee – March 9, 2023

The Goal: This bill establishes an Office of the State Taxpayer Advocate within the Comptroller's Office to be a timely resource to Marylanders in their navigation through tax filing. The Taxpayer Advocate will:

- Assist taxpayers in resolving the most complex problems with the Comptroller's Office,
- Identify systemic problems experienced by taxpayers and produce regular reports explaining these problems and offering ideas for solutions,
- Implement and oversee technology to survey taxpayers each year to ensure quality of service provided by the Comptroller's Office, and
- Represent taxpayers' interests in planning meetings to formulate policies and procedures of the Comptroller's Office.

The Problem: Most Maryland taxpayers do not need assistance from the Comptroller's office in any given year. Many thousands do need some assistance, however, and a subset of the thousands of individuals who contact the Comptroller have complicated and sometimes ongoing challenges that require ongoing assistance and advocacy. Unfortunately, unlike more than half of the States, the District of Columbia, and the federal government, Maryland does not have an Office of the State Taxpayer Advocate committed to helping taxpayers and their elected representatives utilize the resources available within the Office of the Comptroller to resolve tax problems.

One Solution: The Comptroller's office has many functions and capabilities, but one of the most important is to be a constituent service agency working with Marylanders to ensure an equitable and accessible tax administration system. Tax collection can be intimidating and confusing for many Marylanders, and too often, people are stuck and do not know where to turn when it comes to paying what they owe. While our Taxpayer Services Division offers immediate help on quick matters to thousands of taxpayers every year, an office to provide more in-depth support is necessary. Moreover, there is currently no division equipped to survey taxpayers and identify trends or ongoing failures in the office regarding service to Marylanders. A Taxpayer Advocate office will be important for doing just that to ensure that Marylanders are getting the support they need – and therefore are able to pay what they owe.

In alignment with best practices from the federal government and other states, establishing an Office of the State Taxpayer Advocate with adequate staff will provide an improved constituent service experience for Marylanders and offer insights into systemic problems that the Agency can then address.

I urge a favorable report on SB660.



SENATE BILL 660

Q7

3lr2880
CF HB 707

By: **The President (By Request – Office of the Comptroller)**

Introduced and read first time: February 6, 2023

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Office of the Comptroller – Taxpayer Advocate Division**

3 FOR the purpose of establishing the Taxpayer Advocate Division in the Office of the
4 Comptroller to assist taxpayers and their representatives in resolving certain
5 taxpayer problems and complaints and represent taxpayers' interests in a certain
6 manner; and generally relating to the Office of the Comptroller.

7 BY adding to

8 Article – Tax – General

9 Section 2–102.2

10 Annotated Code of Maryland

11 (2022 Replacement Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

14 **Article – Tax – General**

15 **2–102.2.**

16 (A) IN THIS SECTION, “DIVISION” MEANS THE TAXPAYER ADVOCATE
17 DIVISION.

18 (B) THERE IS A TAXPAYER ADVOCATE DIVISION IN THE OFFICE OF THE
19 COMPTROLLER.

20 (C) (1) THE HEAD OF THE DIVISION IS THE TAXPAYER ADVOCATE.

21 (2) THE TAXPAYER ADVOCATE SHALL HAVE:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.

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1 (I) A BACKGROUND IN CUSTOMER SERVICE AND TAX LAW; AND

2 (II) EXPERIENCE REPRESENTING INDIVIDUAL TAXPAYERS.

3 (3) SUBJECT TO THE SUPERVISION OF THE COMPTROLLER, THE
4 TAXPAYER ADVOCATE HAS ADMINISTRATIVE CONTROL OVER THE DIVISION.

5 (D) (1) THE COMPTROLLER SHALL SELECT THE TAXPAYER ADVOCATE
6 AND THE EMPLOYEES OF THE DIVISION, WHO MAY INCLUDE EMPLOYEES FROM THE
7 COMPTROLLER'S OFFICE AND RESIDENTS OF THIS STATE WITH KNOWLEDGE OF
8 TAXATION.

9 (2) THE TAXPAYER ADVOCATE SHALL APPOINT OTHER OFFICERS
10 AND EMPLOYEES OF THE DIVISION IN ACCORDANCE WITH THE PROVISIONS OF THE
11 STATE PERSONNEL AND PENSIONS ARTICLE.

12 (3) THE DIVISION SHALL INCLUDE A MINIMUM OF SIX EMPLOYEES,
13 INCLUDING THE TAXPAYER ADVOCATE, AS WELL AS APPROPRIATE SUPPORT STAFF,
14 ONE OF WHOM SHALL HAVE EXPERIENCE IN THE FIELD OF INFORMATION
15 TECHNOLOGY TO SERVE AS WEBMASTER.

16 (4) OFFICERS AND EMPLOYEES OF THE DIVISION ARE ENTITLED TO A
17 SALARY AS PROVIDED IN THE STATE BUDGET.

18
19 (5) THE DEPARTMENT OF BUDGET AND MANAGEMENT, IN
COORDINATION WITH THE OFFICE OF THE COMPTROLLER, SHALL MAKE
APPROPRIATE ALLOCATIONS FOR PERSONNEL, INCLUDING THE ABILITY
TO RECLASSIFY POSITIONS.

20 (E) THE DIVISION SHALL:

21 (1) BE SUBJECT TO ALL CONFIDENTIALITY AND DISCLOSURE
22 PROVISIONS APPLICABLE TO THE COMPTROLLER'S OFFICE;

23 (2) BE RESPONSIBLE FOR ASSISTING TAXPAYERS AND THEIR
24 REPRESENTATIVES TO ENSURE THAT TAXPAYERS AND THEIR REPRESENTATIVES
25 UNDERSTAND AND UTILIZE THE POLICIES, PROCESSES, AND PROCEDURES
26 AVAILABLE FOR THE RESOLUTION OF PROBLEMS RELATED TO TAX PROGRAMS AND
27 DEBT COLLECTION PROGRAMS ADMINISTERED BY THE COMPTROLLER;

28 (3) ASSIST TAXPAYERS IN RESOLVING PROBLEMS WITH THE
29 COMPTROLLER'S OFFICE;

30 (4) IDENTIFY AREAS IN WHICH TAXPAYERS EXPERIENCE PROBLEMS
31 IN DEALING WITH THE COMPTROLLER'S OFFICE;

32 **(5) PROVIDE EXPEDITIOUS SERVICE TO TAXPAYERS WHOSE**
33 **PROBLEMS ARE NOT RESOLVED THROUGH ORDINARY CHANNELS;**

1 **(6) COLLABORATE WITH OTHER EMPLOYEES OF THE**
2 **COMPTROLLER'S OFFICE TO RESOLVE THE MOST COMPLEX AND SENSITIVE**
3 **TAXPAYER PROBLEMS;**

4 **(7) RESOLVE SYSTEMIC PROBLEMS EXPERIENCED BY TAXPAYERS;**

5 **(8) REPORT TO THE COMPTROLLER IF, IN THE OPINION OF THE**
6 **DIVISION, THE COMPTROLLER'S OFFICE IS ADMINISTERING A LAW IMPROPERLY;**

7 **(9) PARTICIPATE AND REPRESENT TAXPAYERS' INTERESTS AND**
8 **CONCERNS IN PLANNING MEETINGS, REVIEWING INSTRUCTIONS, AND**
9 **FORMULATING POLICIES AND PROCEDURES OF THE COMPTROLLER'S OFFICE;**

10 **(10) COMPILE DATA EACH YEAR ON THE NUMBER AND TYPE OF**
11 **TAXPAYER COMPLAINTS AND EVALUATE THE ACTIONS TAKEN TO RESOLVE THE**
12 **COMPLAINTS;**

13 **(11) SURVEY TAXPAYERS EACH YEAR TO OBTAIN THEIR EVALUATION**
14 **OF THE QUALITY OF SERVICE PROVIDED BY THE COMPTROLLER'S OFFICE;**

15 **(12) PROPOSE CHANGES IN THE ADMINISTRATIVE PRACTICES OF THE**
16 **COMPTROLLER'S OFFICE TO MITIGATE ISSUES IN RESOLVING PROBLEMS AND**
17 **COMPLAINTS IDENTIFIED UNDER ITEMS (3) AND (10) OF THIS SUBSECTION;**

18 **(13) IDENTIFY POTENTIAL LEGISLATIVE OR REGULATORY CHANGES**
19 **THAT MAY BE APPROPRIATE TO RESOLVE ANY PROBLEMS OR COMPLAINTS**
20 **IDENTIFIED UNDER ITEMS (3) AND (10) OF THIS SUBSECTION;**

21 **(14) ESTABLISH AN ELECTRONIC PORTAL ON THE COMPTROLLER'S**
22 **WEBSITE WHERE TAXPAYERS CAN INTERACT WITH THE DIVISION DIRECTLY; AND**

23 **(15) PERFORM OTHER RELATED DUTIES AS ASSIGNED BY THE**
24 **COMPTROLLER IN ACCORDANCE WITH TITLE 13, SUBTITLE 1A OF THIS ARTICLE.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
26 1, 2023.