



March 9, 2023

The Honorable Guy Guzzone  
Budget and Taxation Committee  
Senate Office Building  
Annapolis, MD 21401

RE: SB 660, "*Office of the Comptroller — Taxpayer Advocate Division*" FAVORABLE

Dear Chair Guzzone and members of the Committee:

The Maryland Association of CPAs (MACPA) is a professional organization representing the CPA profession in Maryland, with more than 8,000 members statewide and a history of serving the public interest since 1901. Our members provide services to individuals, not-for-profit organizations, small and medium-sized businesses, and Maryland's largest businesses.

For many years, MACPA's State Tax Committee has expressed support for the creation of a Taxpayer Advocate in Maryland. We recognize and appreciate the support services provided by the current Taxpayer Services Division, including the Ombudsman and Practitioner Helpline, which are staffed by a group of dedicated and hardworking employees. However, we know their resources are constrained and their functions are limited to services such as finding and fixing processing issues, advising on what steps to take, or advising on which group within the Comptroller's Office should handle a particular request, etc. Currently, they cannot advocate for taxpayers in developing solutions to an issue.

There are circumstances in which issues and problems cannot be addressed or resolved through normal channels. These situations may result in financial difficulties and additional barriers to the taxpayer. Currently, these taxpayer issues are addressed on an ad-hoc-basis. There is no single point-of-contact in the Comptroller's Office to assist, identify, track, and report systemic or policy issues that may be addressed through administrative or legislative action.

As an independent entity, the Taxpayer Advocate will provide an important resource to ensure that taxpayers and preparers are treated fairly and that their rights are protected. State-level advocacy offices operate in 35 other states. They assist taxpayers who have been unable to resolve their issue(s) within the regular channels of problem resolution, much like the work at the federal level by the National Taxpayer Advocate Service.

Even CPAs and other practitioners at times need someone within the Comptroller's Office who will help advocate for our clients. It is an even greater imperative for taxpayers who do not have the means to be represented by a CPA or other professional advisor to have a Taxpayer Advocate provide guidance and advocate for them in resolving issues in an expedient and efficient manner.

Taxpayer Advocates work on a variety of issues that impact taxpayers in key areas in which the Comptroller and the public interact. Taxpayer Advocates recommend “big picture” or systemic changes at the Comptroller's Office or in the tax laws. We firmly believe it is important for lawmakers to consider the perspective of the taxpayer and the tax preparer as tax laws are considered. A Taxpayer Advocate can fill that role and advise legislators on administrative and compliance aspects of all proposed tax laws — and hopefully mitigate any implementation issues once the legislation is passed.

Advocacy can take on various forms and functions. In a system dependent on voluntary tax compliance, it is crucial to find ways to reduce barriers for taxpayers. The creation of a Taxpayer Advocate Division will serve as both a voice and a resource for Maryland taxpayers and tax preparers. We believe SB 660 is necessary for the state and will benefit Maryland taxpayers and tax preparers. For these reasons, we respectfully request a favorable report for SB 660.

Thank you very much for the opportunity to offer these comments for your consideration. If you have any questions or if we can provide additional information, please contact Mary Beth Halpern of the MACPA at [marybeth@macpa.org](mailto:marybeth@macpa.org) or (443) 632-2330.

Sincerely,

MACPA State Tax Committee

cc: Nick Manis, Manis Canning & Associates