



MARYLAND GENERAL ASSEMBLY

JOINT COMMITTEE ON ADMINISTRATIVE, EXECUTIVE, AND LEGISLATIVE REVIEW

October 15, 2008

The Honorable Peter V.R. Franchot
Comptroller of Maryland
Goldstein Treasury Building
80 Calvert St., Annapolis, MD

**Re: Approval of Emergency Regulations
Comptroller of the Treasury: Income Tax:
Corporate Income Tax Reporting: COMAR 03.04.14.01-.03**

Dear Comptroller Franchot:

During yesterday's public hearing of the Joint Committee on Administrative, Executive, and Legislative Review, the Committee approved the aforementioned emergency regulations with the following amendments shown in bold italics:

I. COMAR 03.04.14.02C (Reports Required):

C. The reports required hereunder shall be submitted for all taxable years beginning after December 31, 2005 and before January 1, 2011.

(1) The report to be submitted for a taxable year beginning after December 31, 2005 and before January 1, 2007 shall be submitted on or before [October 15] ***November 29***, 2008.

(2) The reports to be submitted for taxable years beginning after December 31, 2006 and before January 1, 2011 shall be submitted on or before ***November 29, 2008*** or seven months after the original due date of the corporation's Maryland tax return for the corresponding taxable year, ***whichever is later***.

II. COMAR 03.04.14.03A (Penalties):

A. Failure to file required reports.

(1) ***Subject to subsection (3) of this section, if*** [If] a corporate group fails to file the reports required under this chapter, the Comptroller shall assess the penalties set forth herein:

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(2) The penalties to be assessed are:

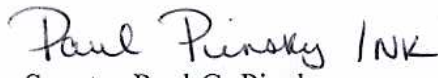
(a) Five Thousand Dollars (\$5,000) per day for each of the first thirty (30) days following the due date during which a report has been filed; and

(b) Ten Thousand Dollars (\$10,000) per day for each day after the first thirty (30) days that a report has not been filed.

(3) The Comptroller may, for any reason, issue an order abating or decreasing the penalty established under this section.

The emergency regulations will remain in effect until November 30, 2008. The committee appreciates your assistance in this matter.

Sincerely,


Senator Paul G. Pinsky
Presiding Chairman

PGP/NK/snr

Enclosure

cc: Senator Thomas V. Mike Miller, Jr., President of the Senate
Delegate Michael E. Busch, Speaker of the House
AELR Committee Members
Linda L. Tanton
David F. Roose
Dennis Schnepfe
Ronald W. Wineholt
J. Thomas Hood, III, CPA
Herman Rosenthal
D. Robert Enten