



Peter Franchot
Comptroller

TESTIMONY OF COMPTROLLER PETER FRANCHOT

Support - Senate Bill 53 - Maryland Income Tax Refunds - Anne Arundel County - Warrant Intercept Program

Budget and Tax Committee

January 15, 2020

Chairman Guzzone, Vice Chairman Rosapepe and members of the Committee, it is my pleasure to provide testimony in support of **Senate Bill 53 - Maryland Income Tax Refund - Anne Arundel County - Warrant Intercept Program**. I would like to thank Senator Reilly for sponsoring this legislation.

Senate Bill 53 will reinstate the Warrant Intercept Program in Anne Arundel County, which authorizes the Office of the Comptroller, in consultation with warrant officials (i.e. law enforcement agencies), to withhold tax refunds from Maryland taxpayers who have outstanding warrants and inform them of an opportunity to surrender themselves to law enforcement under safe and controlled conditions.

For a refund to be withheld by the Office of the Comptroller, a warrant official must certify with the Office of the Comptroller the existence of the warrant and certain identifying information. The Office of the Comptroller must then notify the individual of the certification and its implications and, if applicable, withhold the individual's refund until a "notice to release" is issued from the warrant official.

In 2018, a total of \$816,429.87 from 1,184 refunds was withheld due outstanding warrants, reflecting increases over the previous year by 136% and 125%, respectively. Additionally, \$566,589.84 from 760 refunds was released following the satisfaction of outstanding warrants, accounting for 69% and 64% of the total amount and number of refunds withheld, respectively. In Anne Arundel County, 204 refunds were withheld in 2018, totaling \$122,932.49.

One of my bedrock principles as Comptroller is to reward those taxpayers who abide by the law, while pursuing those who do not. I can affirm that since implementation, this initiative has furnished an effective tool in enforcing the law while providing for the safety of our law enforcement officers and the public they are sworn to protect. For the reasons stated above, I respectfully request a favorable report for Senate Bill 53. Thank you for your time and consideration.