



Feb. 9, 2023

The Honorable Vanessa E. Atterbeary, Chair  
Ways and Means Committee  
House Office Building  
Annapolis, Md. 21401

Re: HB 179, "*Maryland Estate Tax - Portability - Time Period for Election*" - FAVORABLE

Dear Chair Atterbeary and members of the Committee:

The Maryland Association of CPAs is a long-time advocate for a tax system based on principles of good tax policy. We support a framework in which Maryland tax laws conform with federal tax laws whenever and as expeditiously as possible. HB 179 does exactly that, by aligning Maryland's estate tax portability election period to that of a similarly situated federal estate tax return.

The IRS granted an extension of time to elect portability in certain situations because they had observed that a significant number of private letter rulings (PLRs) were being requested by taxpayers. They also observed that a significant portion of these ruling requests were from estates of decedents who had died within five years preceding the request. The number of these requests placed a burden on IRS resources, and it was determined that the extension of the time to elect portability should be increased to five years. In 2022, Maryland passed a law providing its taxpayers with a PLR process. Maryland conformity with the federal extension of time to elect portability will help to achieve the same intent at the State level and prevent the need for numerous PLR responses by the Maryland Comptroller's Office.

We believe HB 179 is good tax policy for the state and will benefit Maryland taxpayers. For these reasons, we respectfully request a favorable report.

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