

CORY V. MCCRAY
Legislative District 45
Baltimore City

DEPUTY MAJORITY WHIP

Budget and Taxation Committee

Subcommittees

Chair, Health and Human Services

Vice Chair, Capital Budget

Executive Nominations Committee

Legislative Policy Committee

Joint Committee on Gaming Oversight



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote Yes to SB 72

Title: Tobacco Tax Stamp Refunds - Loss Due to Theft
Budget and Tax Committee
Hearing: January 18, 2024

Dear Chair, Vice Chair, and Members of the Committee,

I am writing to request your favorable vote on **Senate Bill 72**, a vital piece of legislation aimed at compensating Maryland state Tobacco businesses for their stolen Tobacco products containing the tax stamp. This bill will play a pivotal role in supporting said businesses to not incur financial losses on their purchases of stamped tobacco products that were stolen.

The purpose of **SB72** is to insure Maryland Tobacco businesses for their stolen stamped Tobacco goods. Maryland Tobacco wholesalers must stamp their Tobacco products before being sent to vendors. They must first pay for the stamps, and place them onto the packages of products. If these products are stolen, there is no compensation for the purchase of these government stamps. This bill will give said Maryland businesses, and business owners reimbursement and capacity to continue operating from said losses.

Significance and Impact: The significance of **SB72** will present itself immediately to businesses that have incurred losses from said stolen stamped products. This will alleviate stressors for taxpayers and potentially increase jobs and employment for the people of the state

of Maryland.

Important Considerations: To receive a refund for tobacco tax stamps lost due to theft, a taxpayer must provide to the Comptroller a copy of the police report with a detailed inventory of the stolen property, including when the property was ordered, loaded onto the truck, and stamped. Along with a notarized affidavit signed by the taxpayer under penalty of perjury attesting to the truth of the information provided in the claim for a refund.

This bill will require a decrease in the General fund revenues by an indeterminate amount, potentially beginning as early as June, 2024, per the bill's effective date of 06/01/2024 . The Comptroller's Office can implement the bill's changes with existing budgeted resources. The decrease in the General fund revenues will go to the extent of issued refunds for tobacco tax stamps lost due to theft. General fund revenue losses are offset to the extent that fines are collected for false claims under the bill.

This bill prioritizes Maryland businesses and its workers and I would like to urge a favorable report for **Senate Bill 72**

Respectfully,

A handwritten signature in blue ink, appearing to read 'Cory V. McCray', with a stylized flourish at the end.

Cory V. McCray
45th District