



**SB 677 Comptroller - Electronic Tax and Fee Return Filing Requirements**  
**Budget and Taxation Committee**  
**February 14, 2024**  
**Legislative Position: Favorable**

Dear Chair Guzzone and member of the Committee,

Founded in 1901, the Maryland Association of CPAs is the only state-wide organization dedicated to advancing the CPA profession and advocating for the more than 14,000 licensed CPAs in Maryland. Our members serve thousands of individual and business clients throughout the state.

CPAs are well-versed in the requirements of electronic filing, particularly in response to the IRS mandate for almost all tax practitioners to adopt e-filing. This method is proven to expedite processing times and ensures a faster distribution of refunds, while also decreasing the potential for errors associated with manual data entry. As an added bonus, the likelihood of audits, corrections, and the need for additional follow up is greatly reduced. From the tax preparer's viewpoint - these are all favorable results.

We appreciate the consideration given to certain exemptions in SB 677, specifically for individuals over the age of 65, lower-income individuals, and those with disabilities. These exemptions recognize the diverse needs of Maryland taxpayers, guaranteeing that the transition to e-filing is executed with equity and consideration.

We value the Comptroller's commitment to continue to collaborate on addressing system resource constraints that have led to processing issues with pass-through entities. It is acknowledged that these challenges may not be promptly resolved through e-filing alone.

Our members strongly endorse modernizing Maryland's tax filing system and making it user-friendly. This bill is a substantial step forward in that process and aligns with the broader trend of digitization in financial processes.

SB 677 presents a forward-thinking approach that will not only benefit Maryland taxpayers but also enhance compliance, alleviate administrative burdens, and contribute to a more transparent and efficient tax collection for the Comptroller's office. For these reasons, we respectfully request a **favorable report** for **SB 677**.

For more information about this position, please contact [rebekah@macpa.org](mailto:rebekah@macpa.org) or Nick Manis [nmanis@maniscanning.com](mailto:nmanis@maniscanning.com).