

SB 717 FINAL WR Testimony (1).pdf

Uploaded by: Giavante Hawkins

Position: FAV



MARYLAND SOCIETY OF ACCOUNTING AND TAX PROFESSIONALS

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To: Budget and Taxation

From: The Maryland Society of Accounting and Tax Professionals

Re: SB 717

Contact Person: Giavante' Hawkins

Position: IN FAVOR

Income Tax – Subtraction Modification – Losses From Theft or Fraud

On behalf of the Maryland Society of Accounting and Tax Professionals (MSATP), representing over 2,000 tax professionals serving hundreds of thousands of Maryland taxpayers, I write in support of Senate Bill 717, creating a state tax deduction for personal casualty theft and fraud losses no longer qualifying federally after 2018 tax changes.

Our members frequently aid victim clients attempting to recover financially and emotionally following a breach of trust through embezzlement, identity theft, and investment scams—the economic impacts compound psychological wounds for many individuals and small business owners alike. Maryland allowing relief modestly easing strains from crimes specifically targeting citizens demonstrates compassion warranting consideration.

By requiring substantiating documentation confirming misfortunes resulting from unlawful actions rather than market variables alone, Senate Bill 717 balances accountability with deserved empathy for taxpayers who suffer unconscionable attacks on financial security. Even if state budget relief remains partial, knowing our system stands with fellow residents against those seeking unlawful personal gain upholds principle.

The MSATP sees firsthand theft and fraud's extensive damages on law-abiding taxpayers. We ask that the Committee weigh Senate Bill 717's narrowly-targeted relief addressing gaps within current support frameworks available to assist victims in rebuilding stability after experiencing some of life's worst unexpected pitfalls.

Thank you for your consideration.

Giavante Hawkins



SB0717-BT_MACo_OPP.pdf

Uploaded by: Kevin Kinnally

Position: UNF



Senate Bill 717

Income Tax - Subtraction Modification - Losses From Theft or Fraud

MACo Position: **OPPOSE**

To: Budget and Taxation Committee

Date: February 14, 2024

From: Kevin Kinnally

Tax Incentives and Local Government Autonomy

Counties are eager and committed partners in promoting economic growth and creating opportunity – and prefer local autonomy in determining the best way locally. The Maryland Association of Counties (MACo) opposes state-mandated reductions in local revenue sources, but county governments welcome flexible and optional tools to serve and react to local needs and community priorities.

The General Assembly routinely considers broad or targeted tax incentives to stimulate economic growth, encourage beneficial activities, or attract and retain residents. These proposals sometimes focus exclusively on the State's tax structure, but often extend to local revenues as well.

In general, MACo stands for local self-determination. Counties, led by locally elected leaders directly accountable within the communities they serve, are best positioned to govern local affairs – ranging from land use to fiscal matters. MACo steadfastly guards this local autonomy and consistently advocates against one-size-fits-all policies that override local decision-making.

State tax incentives should be enacted as "local option" offerings to allow counties maximum flexibility in tailoring local policies to meet local needs and priorities. The State and its local governments already work together here – where the State routinely grants a state-level property tax credit, enabling county governments to enact their own as a local option.

MACo urges the Committee to primarily consider state income tax credits as the best means to incorporate local tax relief as part of a broader policy. MACo and county governments stand ready to work with state policymakers to craft flexible and optional tools to deliver broad or targeted tax incentives but resist state-mandated changes that preclude local input.