
By: Chairman, Budget and Taxation Committee (Departmental - Assessments and Taxation)

Requested: November 8, 1995

Introduced and read first time: January 10, 1996

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Financial Institution Franchise Tax - Appeals Process**

3 FOR the purpose of altering the appeal process for assessments of financial institution
4 franchise tax; providing for certain informal hearings; providing for the application
5 of this Act; and generally relating to the appeal process for the financial institution
6 franchise tax.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - General
9 Section 13-508
10 Annotated Code of Maryland
11 (1988 Volume and 1995 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That the Laws of Maryland read as follows:

14 **Article - Tax - General**

15 13-508.

16 (a) Within 30 days after the date on which a notice of assessment of the
17 admissions and amusement tax, income tax, motor carrier tax, motor fuel tax, public
18 service company franchise tax, FINANCIAL INSTITUTION FRANCHISE TAX, sales and use
19 tax, or tobacco tax is mailed, a person or governmental unit against which the assessment
20 is made may submit to the tax collector:

21 (1) an application for revision of the assessment; or

22 (2) except for the public service company franchise tax, if the assessment is
23 paid, a claim for refund.

24 (b) If a person or governmental unit fails to submit an application for revision or
25 claim for refund within the time allowed in subsection (a) of this section, the assessment
26 becomes final.

27 (c) The Comptroller or an employee of the Comptroller's office expressly
28 designated by the Comptroller promptly:

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1 (1) (i) shall hold an informal hearing on a person's or governmental unit's
2 admissions and amusement tax, income tax, motor carrier tax, motor fuel tax, sales and
3 use tax, or tobacco tax application for revision or claim for refund under subsection (a) of
4 this section; and

5 (ii) after the hearing:

6 1. shall act on the application for revision; and

7 2. may assess any additional tax, penalty, and interest due; and

8 (2) shall mail to the person or governmental unit a notice of final
9 determination.

10 (d) The Department promptly:

11 (1) shall act on a person's public service company franchise tax OR
12 FINANCIAL INSTITUTION FRANCHISE TAX application for revision under subsection (a)
13 of this section; or

14 (2) (i) shall hold an informal hearing after giving reasonable notice to the
15 person; and

16 (ii) after the hearing:

17 1. shall act on the application for revision; and

18 2. may assess any additional tax, penalty, and interest due; and

19 (3) shall mail to the person a notice of final determination.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 1996 and be applicable to assessments of financial institution franchise tax issued
22 on or after that date.