
By: **Chairman, Budget and Taxation Committee (By Request -
Departmental - Comptroller)**

Introduced and read first time: January 17, 2005

Rules suspended

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 8, 2005

CHAPTER _____

1 AN ACT concerning

2 **Office of the Comptroller - Tax Withholding Returns - Accelerated Monthly**
3 **Reporting**

4 FOR the purpose of altering the time for filing certain income tax withholding
5 returns; providing for a delayed effective date; and generally relating to the
6 filing of income tax withholding returns.

7 BY repealing and reenacting, with amendments,
8 Article - Tax - General
9 Section 10-822
10 Annotated Code of Maryland
11 (2004 Replacement Volume)

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 10-822.

16 (a) (1) Except as provided in paragraphs (2) and (3) of this subsection, each
17 person required under § 10-906 of this title to withhold income tax shall complete and
18 file with the Comptroller a quarterly income tax withholding return, on or before the
19 15th day of the month that follows the calendar quarter in which that income tax was
20 withheld.

1 (2) Subject to subsection (b) of this section, if the person reasonably
2 expects the total amount of income tax required to be withheld in a quarterly period
3 to be \$700 or more, instead of a quarterly income tax withholding return the person
4 shall complete and file with the Comptroller a monthly income tax withholding
5 return:

- 6 (i) for the month of January, on or before February 15;
- 7 (ii) for the month of February, on or before March 15;
- 8 (iii) for the month of March, on or before April 15;
- 9 (iv) for the month of April, on or before May 15;
- 10 (v) for the month of May, on or before June 15;
- 11 (vi) for the month of June, on or before July 15;
- 12 (vii) for the month of July, on or before August 15;
- 13 (viii) for the month of August, on or before September 15;
- 14 (ix) for the month of September, on or before October 15;
- 15 (x) for the month of October, on or before November 15;
- 16 (xi) for the month of November, on or before December 15; and
- 17 (xii) for the month of December, on or before January 15.

18 (3) If the person reasonably expects the total amount of income tax
19 required to be withheld in a calendar year to be less than \$250 instead of a quarterly
20 income tax withholding return the person shall complete and file with the
21 Comptroller an annual income tax withholding return on or before January 31 that
22 follows that calendar year.

23 (b) If a person was required to withhold \$15,000 or more for the preceding
24 calendar year, the person shall complete and file an income tax withholding return
25 with the Comptroller within 3 business days following each payroll that causes the
26 total accumulated tax withheld to equal or exceed \$700.

27 (c) (1) A person required to file a quarterly or monthly income tax
28 withholding return shall continue to file returns, whether or not the person is
29 withholding any income tax, until the person gives the Comptroller written notice
30 that the person no longer has employees or no longer is liable to file the return.

31 (2) A person required to file returns under subsection (b) of this section
32 shall file a return at least once every [3 months] MONTH until the person gives the
33 Comptroller written notice that the person no longer has employees or no longer is
34 liable to file the return.

1 (d) Each person required to file a return under this section shall file returns
2 for other periods and on other dates as the Comptroller specifies by regulation,
3 including periods in which the person does not pay wages subject to withholding.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
5 effect January 1, 2006.