

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
Enrolled - Revised

Senate Bill 911

(Senator Beidle, *et al.*)

Budget and Taxation

Ways and Means

Gender Diversity in the Boardroom – Annual Report

This bill requires tax-exempt, domestic nonstock corporations with an operating budget exceeding \$5 million or domestic stock corporations with total sales exceeding \$5 million to report the number of female board members and the total number of members on the board of directors when filing a specified personal property report with the State Department of Assessments and Taxation (SDAT). The Comptroller must report this information to the General Assembly by January 1 of each year, and make the report publicly available on the Comptroller’s website. The bill does not apply to privately held companies if at least 75% of a company’s shareholders are family members. The bill takes effect October 1, 2019, and terminates September 30, 2029.

Fiscal Summary

State Effect: General fund expenditures increase by \$25,000 in FY 2020. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: At the beginning of each calendar year SDAT notifies business entities on record that a personal property tax return must be filed by April 15. This tax return must include personal property located in Maryland as of January 1, the date of finality. The “date of finality” is the date used to determine ownership, location, value, and liability for tax purposes. Beginning in 2017, all tax returns

are filed electronically. An annual report fee is required to be paid to SDAT with the personal property tax return. The annual report fee is for the privilege of maintaining the legal entity's existence in the State.

State Fiscal Effect: General fund expenditures for the Comptroller's Office increase by \$25,000 in fiscal 2020 to initiate a data-sharing arrangement with SDAT. The estimate includes the cost of establishing an official agreement with SDAT on the process and format of data transfers needed to compile the report that the Comptroller's Office must complete each year.

Additional Information

Prior Introductions: None.

Cross File: HB 1116 (Delegate Hettleman, *et al.*) - Ways and Means.

Information Source(s): Comptroller's Office; State Department of Assessments and Taxation; Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2019
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