

CORY V. McCRAY
Legislative District 45
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Budget and Taxation Committee

Capital Budget Subcommittee
Health and Human Services Subcommittee



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote Yes on Senate Bill 916

Bill Title: Taxes - Whistleblower Reward Program and Statute of Limitations for Tax Collections

Hearing Date: March 9, 2021 – Budget and Taxation

Chair: The Honorable Guy Guzzone; Vice Chair: The Honorable James Rosapepe

I write to you today in support of Senate Bill 916. Tax revenue provides for economic growth and provides funding sources for programs that allow Maryland to uplift all residents. The revenue collected from taxes helps fund our children's education, provide healthcare, and allow our Great State to make investments in core infrastructure projects. In short, taxation not only funds public services, but also can increase the effectiveness of government. While the majority of taxpayers remain in compliance with state tax law, there are those who circumvent them.

The purpose of Senate Bill 916 is to create a financial reward program for whistleblowers who assist Maryland in detecting tax fraud. The Comptroller of Maryland would administer the program, and have sole discretion over the granting of monetary rewards. This bill is modeled on the IRS' Whistleblower Office, which has recuperated billions in unpaid federal taxes. Like the IRS, Senate Bill 916 would provide for the whistleblower to be granted up to 30% of the tax, penalty, and interest amounts collected due to information supplied. Further, the Bill would extend the statute of limitations to collect unpaid taxes from seven years to ten, ensure the presumption of anonymity, and require the Comptroller to issue an annual report on the program.

In efforts to target the worst offenders of tax fraud and to increase transparency, we hope that you will move for a favorable report of Senate Bill 916.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Cory V. McCray".

Cory V. McCray
State Senator