

HB 1257_Business Personal Property Tax-Reimburseme

Uploaded by: Griffin, Andrew

Position: FAV



LEGISLATIVE POSITION:

Favorable

House Bill 1257

Business Personal Property Tax – Businesses Affected by COVID-19 Restrictions – Reimbursement

House Ways & Means Committee

Tuesday, March 9, 2021

Dear Chairwoman Kaiser and Members of the Committee:

Founded in 1968, the Maryland Chamber of Commerce is the leading voice for business in Maryland. We are a statewide coalition of more than 5,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic recovery and growth for Maryland businesses, employees, and families.

HB 1257 seeks to reimburse businesses affected by COVID-19 restrictions for their business personal property tax return paid for the calendar year 2020. The State Department of Assessments and Taxation is to make these reimbursements out of the General Fund.

HB 1257 will provide much needed financial assistance and tax relief to businesses that were completely unable to do business or unable to conduct normal business on their premises and was required to provide curbside, carryout, or delivery services only as a result of the COVID-19 restrictions. This tax relief initiative is an aggressive approach the state can take to help Maryland small businesses survive and recover from the current economic situation.

For these reasons, the Maryland Chamber of Commerce respectfully requests a **favorable report** on HB 1052.

HB1257_FAV_MRA.pdf

Uploaded by: Price, Sarah

Position: FAV

MARYLAND RETAILERS ASSOCIATION

The Voice of Retailing in Maryland



**HB1257 Business Personal Property Tax – Businesses Affected by COVID-19
Restrictions – Reimbursement
Ways and Means Committee
March 9, 2021**

Position: Favorable

Background: HB1257 would provide a reimbursement for business personal property taxes paid by businesses that were adversely affected by COVID-19 restrictions.

Comments: The Maryland Retailers Association strongly supports the reimbursement proposed by HB1257. Businesses across the state were, through no fault of their own, unable to operate through most of 2020 due to the restrictions put in place to combat the spread of the COVID-19 novel coronavirus. Assistance funds, when they were even available, dried up quickly and businesses have struggled to stay afloat. Providing a reimbursement for business personal property tax paid in 2020 would make an enormous difference to help Maryland's businesses to make it to the other side of the current economic crisis.

We would respectfully urge a favorable report on HB1257. Thank you for your consideration.

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Uploaded by: Higgs, Michael

Position: INFO



**DEPARTMENT OF
ASSESSMENTS AND TAXATION**

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Michael Higgs, Director

DATE: March 9, 2021

BILL NUMBER: HB1257

COMMITTEE: Ways and Means

BILL TITLE: Business Personal Property Tax – Businesses Affected by COVID–19 Restrictions – Reimbursement

SDAT POSITION: Letter of Information

The State Department of Assessments and Taxation (SDAT) offers the following information for HB1257, a bill that would require reimbursements of business personal property taxes for many entities in the state.

The Department notes that “completely unable to do business” and “normal business” are subjective terms, cannot be defined by statute, and are subject to varying interpretations.

The timeline allotted for implementation may not be feasible because business personal property taxes are collected by and remitted to Maryland’s local jurisdictions. The Department would need more time to consult with those jurisdictions to determine what tax refunds would be due.

The General Fund would be required to pay reimbursements for prior year business personal property taxes as long as they were collected in 2020. The Department notes that it had more entities regain Good Standing Status, in 2020 than ever before. This resulted from entities paying off outstanding business personal property bills, many of which covered multiple years.

SDAT would like the committee to consider the information presented as it deliberates HB1257.

Office of the Director

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