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HEARING DATE: February 8, 2022

BILL: SB0403

TITLE: Corporations and Associations – Annual Reports – Fees for Electronic Filings

SDAT POSITION: SUPPORT

Pursuant to HB0356 of the 2021 Legislative Session of the Maryland General Assembly, which was enacted under Article II, § 17(c) of the Maryland Constitution on May 30, 2021, the Maryland State Department of Assessments and Taxation (SDAT) was tasked to study and review fees collected by all 50 states and the District of Columbia that are equivalent or substantially similar to the Annual Report filing fees collected by SDAT under the authority of § 1-203(b)(3)(ii) of the Corporations and Associations Article.

SDAT was also tasked to provide the General Assembly, pursuant to §2-1257 of the State Government Article, recommendations to make Maryland's Annual Report filing fee more competitive with the similar fees collected by other states.

As written, Senate Bill 403 complies with SDAT's study findings and recommendations to the General Assembly on how best to amend the Maryland Annual Report fees to make Maryland more business-friendly and competitive with its regional neighbors.

This bill ensures that all business entities that file electronically will not pay an annual report fee, and encourages the use of electronic filing over more inefficient paper filings.

For these reasons, SDAT offers this Letter of Support and strongly urges a favorable report for SB0403.