

HB707/SB660, Testimony in support of legislation to establish the Office of the State Taxpayer Advocate within the Comptroller's Office to help Marylanders navigate through tax issues

My name is Janice Feldman, and I am an attorney who has been integrally involved in tax administration since 1989. I am currently a Senior Tax Attorney at Kundra & Associates in Rockville, Maryland. From September 2014 to April 2019, I was the Division Counsel/Associate Chief Counsel for the National Taxpayer Advocate component of the Internal Revenue Service. As the legal counsel for the National Taxpayer Advocate, I saw firsthand how taxpayers at the federal level benefited from having a National Taxpayer Advocate and the Taxpayer Advocate Service available. So too, I witnessed how taxpayers benefited at the state level when a state taxpayer advocate was available to assist.

Maryland is one of only a few states without a taxpayer advocate office. These state offices typically assist and advocate for taxpayers on issues that cannot be resolved through normal channels and perform other functions, such as identifying systemic problems. Having a complex tax system that is dependent on voluntary tax compliance, it is crucial to find ways to make the system fairer and easier to navigate. It is also important that we reduce barriers so that it is easier for taxpayers to meet their tax obligations. Some of the barriers that Maryland taxpayers currently face include lack of trust in the system, language barriers, insufficient education regarding basic filing and payment requirements, and individual hardships. This legislation would reduce these barriers. Furthermore, the proposed legislation would require the Advocate's Office to do more. Among other things, it requires the office to identify and resolve systemic problems and compile data about the number and types of taxpayer complaints. Having an organizational component within the Comptroller's office that tracks problem areas and also is tasked with remedying systemic issues will improve the quality of service for taxpayers as systemic problems will now be identified and corrected seamlessly. I believe the creation of this office will provide Maryland taxpayers with a much better customer experience which in turn should improve voluntary compliance with tax filing and payment. I strongly urge passage of this important legislation.