



MARYLAND TECH COUNCIL

TO: The Honorable , Chair
Members, House Ways and Means Committee
The Honorable Mary A. Lehman

FROM: Andrew G. Vetter
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DATE: March 7, 2023

RE: **OPPOSE** – Senate Bill 576 – *Corporate Income Tax – Combined Reporting*

The Maryland Tech Council (MTC) is a collaborative community, actively engaged in building stronger life science and technology companies by supporting the efforts of our individual members who are saving and improving lives through innovation. We support our member companies who are driving innovation through advocacy, education, workforce development, cost savings programs, and connecting entrepreneurial minds. The valuable resources we provide to our members help them reach their full potential making Maryland a global leader in the life sciences and technology industries. On behalf of MTC, we submit this letter of **opposition** for Senate Bill 576.

The application of combined reporting reflected in Senate Bill 576, which includes but is not limited to requirements for affiliated corporations to compute Maryland taxable income using combined reporting and creates a subtraction modification against the State income tax for certain deferred tax liabilities and assets. The passage of Senate Bill 576 would create uncertainty for Maryland businesses while adding significant complication to the corporate tax structure. Senate Bill 576 makes Maryland a less attractive location for businesses and at a competitive disadvantage to competitor states without combined reporting including Virginia, Pennsylvania, and North Carolina. For these reasons, MTC requests an unfavorable report.