

March 6, 2023

The Honorable Guy Guzzone  
Senate Budget and Taxation Committee  
Miller Senate Office Building,  
3 West Wing 11 Bladen St.,  
Annapolis, MD, 21401

**RE: Letter of Opposition SB0576 Corporate Income Tax – Combined Reporting**

Dear Chairman Guzzone:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **SB0576 Corporate Income Tax – Combined Reporting**. MBIA **opposes** the Act in its current version.

This measure would require corporations to calculate their Maryland taxable income using combined reporting. Combined reporting filings are administratively difficult for small businesses, which makes it difficult for an owner to understand them and provide information. Preparation takes more time, and thus incurs higher fees, to file these returns as well. Requiring a switch to combined reporting should not be taken lightly by the State, and much more due-diligence and guidelines would need to be provided to ensure that small business owners understand what the rules are if this method of filing could be successful.

For these reasons, MBIA respectfully requests the Committee give this measure an **unfavorable** report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or [lgraf@marylandbuilders.org](mailto:lgraf@marylandbuilders.org).

cc: Members of the Senate Budget and Taxation Committee