



MARYLAND LEGISLATIVE LATINO CAUCUS

Lowe House Office Building, 6 Bladen Street, Room 200 · Annapolis, Maryland 21401
Phone 410-841-3374 | 301-858-3374 · 800-492-7122 Ext. 3374 · Fax 410-841-3342 | 301-858-3342
latino.caucus@house.state.md.us · www.mlatinocaucus.org

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STO: Delegate Vanessa E. Atterbeary, Chair
Delegate Jheanelle K. Wilkins, Vice Chair
Ways and Means Committee Members
FROM: Maryland Legislative Latino Caucus
DATE: 2/15/2024
RE: HB452: Stop Scam Tax Preparers Act

The MLLC supports HB452: Stop Scam Tax Preparers Act, 2024

The MLLC is a bipartisan group of Senators and Delegates committed to supporting legislation that improves the lives of Latinos throughout our state. The MLLC is a crucial voice in the development of public policy that uplifts the Latino community and benefits the state of Maryland. Thank you for allowing us the opportunity to express our support of HB452.

Maryland's rules and regulations related to the oversight of the tax preparer industry are outdated and not aligned with the state's current needs.¹ As a result, there has been an uptick in the victimization of taxpayers by tax preparers. The elderly and immigrant communities are most at risk of taxpayer victimization.² One typical example is for unregistered preparers to produce legitimate-looking returns that include incorrect information aimed at producing larger than expected refunds.³ When the refunds then arrive, the scam preparer takes the return – and the refund – leaving the taxpayer with penalties for providing false information.⁴

HB452 will help to improve coordination between the Comptroller's Office and the Maryland Board of Individual Tax Payers (MBITP) and protect Maryland tax-payers in three ways:

- Mandates information sharing between the Office of the Comptroller and the MBITP within the Department of Labor (DOL) when either body takes disciplinary action against an individual.
- Directs the MBITP to develop and publish a code of ethics and rules of professional conduct for individual tax preparers registering in Maryland.
- Authorizes the Comptroller's Field Enforcement Bureau to pursue financial penalties against individuals engaging in scams and unregistered tax preparation services.

For these reasons, the Maryland Legislative Latino Caucus respectfully requests a favorable report on HB452.

¹ [Stop Scam Prepares Act Fact Sheet](#)

² Ibid

³ Ibid

⁴ Ibid