



## Letter of Information

**Senate Bill 4 – Charitable Organizations - Charitable Donation and Tax-Exempt Status -  
Revocation (Keeping Charities Nonpartisan Act of 2026)**  
*Education, Energy, and the Environment Committee*  
*February 11, 2026*

The Comptroller of Maryland is respectfully submitting this letter of information regarding Senate Bill 4 – Charitable Organizations – Charitable Donation and Tax-Exempt Status – Revocation (Keeping Charities Nonpartisan Act of 2026).

SB4 establishes various penalties for charitable organizations that engage in political activity, including revocation of the sales and use tax exemption certificate (SUTEC) or income tax exemption. Under SB4, if the Secretary of State and the Attorney General order a revocation of an organization's tax-exempt status, the Secretary of State must promptly notify the Comptroller in writing, and within 30 days the Comptroller must revoke any income tax exemption or SUTEC from the organization. The organization is permitted to reapply after a period of two years.

The Comptroller of Maryland would like to note that it has no ability to review and determine whether an organization has engaged in political activity and therefore will be entirely reliant on the required notifications from the Secretary of State to revoke any tax exemptions. If the organization reapplies for a tax exemption after the conclusion of the two-year revocation period, the Comptroller will have no way of determining if the organization continued to engage in prohibited activity during that period.

Thank you. If you have any questions, please reach out to Matthew Dudzic, Director of State Affairs, at [MDudzic@marylandtaxes.gov](mailto:MDudzic@marylandtaxes.gov).

