

TAX TALK

Published by the Section of Taxation of the Maryland State Bar Association, Inc.

• Caroline D. Ciruolo, *Chair* •

G. Evans Hubbard, *Editor*

Paul G. Marcotte, Jr., *Assistant Editor*

Volume XVII Number 1

Fall 2008

FROM THE CHAIR

By Caroline D. Ciruolo

In preparing my first article as Chair of the Section of Taxation, I reviewed articles written by my predecessors and was immediately struck by the skills and dedication of the members of this Section. It is humbling to be in this position and I will work hard to live up to the standards established in years past. To this end, I am very grateful for the tremendous support and enthusiasm of Jessica R. Lubar, your Chair-Elect, and Catherine Mary Rafferty, your Secretary/Treasurer.

My areas of practice are tax controversy and litigation and criminal tax defense. I am not the attorney you call for advice on mergers and acquisitions, to answer questions regarding choice of entity, or to give comments on real estate tax issues. As I enter my term as Chair, I am acutely aware of how much lies outside my practice area and how much I will be looking to the extraordinary talent and experience of the members of the Section. I seek your input, your ideas and your criticisms. I hope that each and every member of the Section contributes in some way to its growth and progress this year, and benefits from all that the Section offers.

The Section Council has been working hard this summer to plan a year filled with wonderful events and opportunities to get involved. We created a new committee to coordinate special programs, including a Tax Symposium and joint programs with other sections of the Maryland State Bar Association. We are expanding the scope of our Pro Bono Committee to include active involvement with the University of Maryland and University of Baltimore tax clinics. The Members Services Committee is embracing the technology offered by the MSBA and will be posting Section news and events on Bar Briefs and Bar Events delivered electronically each month. Tax Talk is reaching

out to all Section members via the list serve to solicit articles for upcoming editions. The Legal Education Committee is working with MICPEL to present interesting and timely tax-related programs during the 2008/2009 year. The Committee rosters are listed in this edition of Tax Talk and will be posted, along with upcoming events and activities, on the Section website, which we hope you will visit frequently and add to your "favorites."

In addition to all of the planning, the Section was quickly put to the test this summer when, on July 3, 2008, the Comptroller issued draft regulations on the Maryland combined corporate reporting requirements. I am proud to report that within 11 days, which included the July 4th holiday weekend, members of the Section set their personal schedules aside and coordinated a substantive and meaningful response. I extend special thanks and gratitude to the members of the State Legislation and Regulatory Proposals Committee, including Andrea B. Gillespie, Herman B. Rosenthal, James W. Dawson, Jr., Elissa F. Borges, Walter R. Calvert, Jeffrey A. Markowitz, Jessica R. Lubar and Paul G. Marcotte, Jr., for their time and commitment to this project.

My primary goal for this year is the increased involvement and participation of Section members. I appreciate those returning members who have been involved in years past, and strongly encourage new members to take the leap and discover all the personal and professional benefits that participation in the Section can offer. Involvement can take many forms – attending Section events, posting questions and responses on the Section list serve, attending Section study groups, registering for a tax-related MICPEL course, submitting an article for Tax Talk, or volunteering

(continued on Page 2)

FROM THE CHAIR...

(continued from Page 1)

for the MVLS annual Tax Clinic. However you choose to participate, we welcome you and thank you for your time and commitment.

Our first Section events occur in November. The Advanced Tax Institute is scheduled for November 3 through November 7, 2008, at Martin's West in Baltimore. Each day features nationally known authorities offering analysis and advice to help you in your practice. Registration is now open and information is posted on the Section web site — http://www.msba.org/sec_comm/sections/taxation/. On November 13, 2008, the Section hosts the 8th annual Tax Networking Night at Trapeze in Fulton, Maryland. This event has grown to become the biggest networking event of

the Section, attended by state and federal judges, representatives of the Internal Revenue Service and the Comptroller's office, and tax practitioners – attorneys and accountants – from across the State. I look forward to seeing each of you at these and future events.

Finally, I want to take this opportunity to thank our former Chair, James W. Dawson, Jr., who successfully steered this Section through an unusually active term with a particularly controversial Special Session in the fall of 2007, followed by a contentious legislative session this past spring. I am pleased that Jim remains an active and contributing member of the Section Council and an invaluable resource as we embark on the coming year.

TAX SECTION COUNCIL MEMBERS 2008-2009

Caroline D. Ciraolo, Chair
Rosenberg | Martin | Greenberg,
LLP
25 South Charles Street
Suite 2115
Baltimore, Maryland 21201
p: 410.547.7852
f: 410.727.1115
cciraolo@rosenbergmartin.com

Jessica R. Lubar, Chair Elect
Venable LLP
750 E. Pratt Street
Suite 900
Baltimore, Maryland 21202
p. 410.528.7736
f. 410.244.7742
jlubar@venable.com

**Catherine Mary Rafferty,
Secretary/Treasurer**
Law Offices of
Catherine Mary Rafferty
4801 Yuma Street, N.W.
Washington, D.C. 20016
p. 202.246.8445
f. 202.244.2967
cm.rafferty@verizon.net

**James W. Dawson, Jr.,
Immediate Past Chair**
Stein, Sperling, Bennett, De Jong,
Driscoll & Greenfeig, P.C.
25 W. Middle Lane
Rockville, Maryland 20850
p. 301.838.3227
f. 301.340.8217
jdawson@steinsperling.com

Bryan W. Young, Past Chair
305 Washington Avenue
Suite 504
Towson, Maryland 21204-4747
p. 410.583.7800
f. 410.583.9505
byoung@bwyllaw.com

Andrea B. Gillespie, Past Chair
40 York Road
Suite 300
Towson, Maryland 21204
p. 410.823.0111
andrea@andreagillespie.com

Elissa F. Borges, Past Chair
Ober Kaler
120 East Baltimore Street
5th Floor
Baltimore, Maryland 21202
p. 410.685.1120
f. 410.547.0699
efborges@ober.com

TERMS EXPIRING IN 2009

David S. DeJong
Stein, Sperling, Bennett, De Jong,
Driscoll & Greenfeig, P.C.
25 West Middle Lane
Rockville, Maryland 20850
p. 301.340.2020
f. 301.354.8104
ddejong@steinsperling.com

Robert M. Ercole
Neuberger, Quinn, Gielen, Rubin &
Gibber, P.A.
1 South Street, 27th Floor
Baltimore, Maryland 21202-3298
p. 410.332.8559
f. 410.332.8594
rme@nggrg.com

Visit www.msba.org/sec_comm/sections/taxation

Katrina Kamantauskas-Holder
The Holder Law Group
406 Allegheny Ave
Towson, Maryland 21204
p. 410.296.9551
f. 410.296.9554
katrina.kamantauskas@holderlaw.com

Jennifer A. Pratt
Venable LLP
750 E. Pratt Street
Suite 900
Baltimore, Maryland 21202
p. 410.528.2883
f. 410.244.7742
japratt@venable.com

Steven M. Gevarter
Miles & Stockbridge, P.C.
Ste 300
10490 Little Patuxent Pkwy
Columbia, MD 21044-4935
p. 410.312.6709
sgevarter@milesstockbridge.com

TERMS EXPIRING IN 2010

G. Evans Hubbard, II
3818 Beech Ave
Baltimore, MD 21211-2222
p. 410.260.7982
ghubbard@comp.state.md.us

Casey Lothamer
Office of Chief Counsel
31 Hopkins Plaza, Suite 1320
Baltimore, Maryland 21201
p. 410.962.5143
f. 410.962.1836
caseylothamer@irscounsel.treas.gov

David J. Polashuk
Levy, Mann, Caplan, Hermann &
Polashuk, LLP
400 Redland Court
Suite 110
Owings Mills, Maryland 21117
p. 410.998.2000
f. 410.998.2007
dpolashuk@lmpatlaw.com

Herman B. Rosenthal
Whiteford, Taylor & Preston, LLP
7 Saint Paul Street
Baltimore, Maryland 21202-1626
p. 410.347.9488
f. 410.347.9414
hrosenthal@wtplaw.com

W. Randolph "Randy" Shump
Dulaney Center II
901 Dulaney Valley Road, Suite
602
Towson, MD 21204
p.410.832.8865
f. 410.832.8812
rshump@shumplaw.com

TERMS EXPIRING IN 2011

Saul B. Abrams
DLA Piper, LLP
6225 Smith Avenue
Baltimore, Maryland 21209-3600
p. 410.580.4821
f. 410.580.3821
saul.abrams@dlapiper.com

Keith Stuart Blair
University of Baltimore Tax Clinic
40 West Chase Street
Baltimore, Maryland 21201
p. 410.837.5727
f. 410.333.3053
kblair@ubalt.edu

Todd J. Bornstein
Selzer Gurvitch Rabin & Obency,
Chtd.
4416 East West Highway, 4th Floor
Bethesda, Maryland 20814-4568
p. 301.634.3104
f. 301.986.1301
t.bornstein@sgrolaw.com

Paul G. Marcotte, Jr.
Paley Rothman
4800 Hampden Lane, 7th Floor
Bethesda, Maryland 20814-2930
p. 301.951.9368
f. 301.654.0165
pmarcotte@paleyrothman.com

Brian L. Oliner
Office of the Attorney General
Louis L. Goldstein
Treasury Building
P.O. Box 466
Annapolis, Maryland 21404-0466
p. 410.260.7808
f. 410.974.5895
boliner@oag.state.md.us

TAX COUNCIL COMMITTEES

LEGAL EDUCATION COMMITTEE 2008-2009

SUBCOMMITTEES:

Continuing Legal Education
Annual Meeting Program
Advanced Tax Institute
Law School Liaison

Brian L. Oliner, *Chair*

Steve M. Gevarter, *Vice Chair*

Keith Blair

David S. DeJong

Jennifer A. Pratt

SPECIAL PROGRAMS COMMITTEE 2008-2009

SUBCOMMITTEES:

Tax Symposium
Joint Section Meetings

Jessica R. Lubar, *Chair*

David S. DeJong

Keith Blair

Jennifer A. Pratt

Christopher Davis,
Non-Council Member
Miles & Stockbridge, P.C.
10 Light Street
11th Floor
Baltimore, Maryland 21202
f. 410.385.3700
cdavis@milesstockbridge.com

Jeffrey A. Markowitz,
Non-Council Member
Miles & Stockbridge, P.C.
10 Light Street
11th Floor
Baltimore, Maryland 21202
p. 410.385.5323
f. 410.385.3700
jmarkowitz@milesstockbridge.com

**MEMBER SERVICES/
PROGRAM
COMMITTEE
2008-2009**

SUBCOMMITTEES:

Tax Talk
Technology
Member Services
Tax Networking Night/Shulbank
Dinner

Katrina Kamantauskas-Holder,
Chair

G. Evans Hubbard II, *Vice-Chair*
(Editor, *Tax Talk*)

Paul G. Marcotte, Jr.
(Asst. Editor, *Tax Talk*)

David S. DeJong

Catherine Rafferty, *Advisor*

Jessica R. Lubar, *Advisor*

**AWARDS COMMITTEE
2008-2009**

Jessica R. Lubar, *Chair*

Elissa F. Borges

Caroline D. Ciraolo

James W. Dawson, Jr.

Andrea B. Gillespie

Bryan W. Young

**PRO BONO
COMMITTEE
2008-2009**

Todd J. Bornstein, *Chair*

W. Randolph "Randy" Shump,
Vice Chair

Saul B. Abrams

**NOMINATIONS
COMMITTEE
2008-2009**

Caroline D. Ciraolo

James W. Dawson, Jr.

Catherine Mary Rafferty

Jessica R. Lubar

Bryan W. Young

**STATE LEGISLATION
& REGULATORY PRO-
POSALS COMMITTEE
2008-2009**

Herman B. Rosenthal, *Chair*

Andrea B. Gillespie, *Vice Chair*

Elissa F. Borges

James W. Dawson, Jr.

Robert M. Ercole

Casey Lothamer

Christopher Davis,
Non-Council Member

Jeffrey A. Markowitz,
Non-Council Member

Walter R. Calvert,
Non-Council Member
Venable LLP
2 Hopkins Plaza
Suite 1800
Baltimore, Maryland 21201
p. 410.244.7726
f. 410.244.7742
wrcalvert@venable.com

**SUBSTANTIVE LAW
COMMITTEES
2008-2009**

Tax Controversy Subcommittee

David J. Polashuk, *Chair*

Caroline D. Ciraolo, *Advisor*

Christopher S. Davidson,
Non-Council Member
Venable LLP
2 Hopkins Plaza
Suite 1800
Baltimore, Maryland 21201
p. 410.244.7780
f. 410.244.7742
csdavidson@venable.com

**State & Local Tax
Subcommittee**

Gary Hyman, Chair
Ober Kaler
120 East Baltimore Street, 5th Floor
Baltimore, Maryland 21202
p. 410.685.1120
f. 410.547.0699
gmyhyman@ober.com

Elissa F. Borges, *Vice-Chair*

**Business/Transaction Tax
Subcommittee**

Jonathan Z. May, *Chair*

Whiteford Taylor & Preston, LLP
20 Columbia Corporate Center
10420 Little Patuxent Parkway
Columbia, Maryland 21044-3528
p. 410.347.8781
f. 410.884-2451
jmay@wtplaw.com

**Tax-Exempt Organizations
Subcommittee**

Jonathan Z. May, *Chair*

**Estate & Gift Tax
Subcommittee**

Jennifer A. Pratt, *Chair*

**Real Estate Transactions
Subcommittee**

Robert M. Ercole, *Chair*

**Employee Benefits
Subcommittee**

Katrina Kamantauskas-Holder,
Chair

Liaisons

**Joseph J. Mezzanotte,
B&F Liaison**

7 Saint Paul Street
Suite 1400
Baltimore, Maryland 21202-1654
p. 410.347.8700
f. 410.752.7092
jmezzanotte@wtplaw.com

**Christopher R. West,
BOG Liaison**

25 South Charles Street
Suite 1400
Baltimore, Maryland 21201
p. 410.576.4772
f. 410.539.5223
cwest@semmes.com

Section of Taxation

2008/2009 Calendar of Events

SEPTEMBER

- Sep. 9, 2008 Employee Benefits Study Group (Whiteford Taylor, Baltimore) - 12 PM
Sep. 10, 2008 Transactional Tax Study Group (Whiteford Taylor, Baltimore) - 12 PM
Sep. 18, 2008 Montgomery / PG County Tax Study Group (Stein Sperling, Rockville) - 8 AM

OCTOBER

- Oct. 2, 2008 Tax-Exempt Study Group (Whiteford Taylor, Baltimore) - 8 AM
Oct. 8, 2008 Transactional Tax Study Group (Whiteford Taylor, Baltimore) - 12 PM
Oct. 14, 2008 Tax Controversy Study Group (Rosenberg | Martin | Greenberg, LLP, Baltimore) - 9 AM
Oct. 16, 2008 Montgomery / PG County Tax Study Group (location TBA) - 8 AM
Oct. 21, 2008 State Tax Study Group (Ober | Kaler, Baltimore) - 8:30 AM
Oct. 23, 2008 Estate and Gift Tax Study Group (Bank of America, Baltimore) - 12:30 PM

NOVEMBER

- Nov. 3-7, 2008 Advanced Tax Institute (Martin's West, Baltimore)
Nov. 11, 2008 Tax Controversy Study Group (Rosenberg | Martin | Greenberg, LLP, Baltimore) - 9 AM
Nov. 11, 2008 Employee Benefits Study Group (Whiteford Taylor, Baltimore) - 12 PM
Nov. 12, 2008 Transactional Tax Study Group (Whiteford Taylor, Baltimore) - 12 PM
Nov. 13, 2008 Tax Networking Night (Trapeze, Fulton, MD) - 6-9 PM
Nov. 18, 2008 State Tax Study Group (Ober | Kaler, Baltimore) - 8:30 AM

Nov. 20, 2008 Montgomery / PG County Tax Study Group (Wachtel Law Offices, Rockville) - 8 AM

Nov. 20, 2008 Tax-Exempt Study Group (Whiteford Taylor, Baltimore) - 8 AM

Nov. 27, 2008 Estate and Gift Tax Study Group (Bank of America, Baltimore) - 12:30 PM

DECEMBER

- Dec. 4, 2008 Tax Symposium, University of Baltimore School of Law, 3-5 PM
Dec. 9, 2008 Tax Controversy Study Group (Rosenberg | Martin | Greenberg, LLP, Baltimore) - 9 AM
Dec. 10, 2008 Transactional Tax Study Group (Whiteford Taylor, Baltimore) - 12 PM
Dec. 16, 2008 State Tax Study Group (Ober | Kaler, Baltimore) - 8:30 AM
Dec. 18, 2008 Estate and Gift Tax Study Group (Bank of America, Baltimore) - 12:30 PM

JANUARY

- Jan. 13, 2008 Tax Controversy Study Group (Rosenberg | Martin | Greenberg, LLP, Baltimore) - 9 AM
Jan. 13, 2008 Employee Benefits Study Group (Whiteford Taylor, Baltimore) - 12 PM
Jan. 14, 2009 Transactional Tax Study Group (Whiteford Taylor, Baltimore) - 12 PM
Jan. 20, 2009 State Tax Study Group (Ober | Kaler, Baltimore) - 8:30 AM
Jan. 22, 2009 Estate and Gift Tax Study Group (Bank of America, Baltimore) - 12:30 PM
Jan. 22, 2009 Montgomery / PG County Tax Study Group (SunTrust, Rockville) - 8 AM

MARYLAND COMBINED REPORTING REQUIREMENTS

TAX REFORM ACT OF 2007

SENATE BILL 444/
HOUSE BILL 664

Tax Alert



Comptroller of Maryland • Revenue Administration Division • 110 Carroll Street • Annapolis, Maryland 21401
410-260-7314 from Central Maryland or 1-800-MDTAXES (1-800-638-2937) from elsewhere in Maryland
E-mail: taxhelp@comp.state.md.us • World Wide Web: www.marylandtaxes.com

6-08

Important Tax Information for Certain Corporate Entities

The Maryland General Assembly has created a Business Tax Reform Commission to review and evaluate the State's current business tax structure and to provide recommendations for fair and equitable taxation for all corporations and other business entities doing business in the State. To assist the Commission in its work, and the General Assembly in its consideration of these issues, certain corporate entities will be required to file pro forma combined corporate income tax returns beginning in October 2008. The Comptroller's Office is currently developing regulations to implement this action of the General Assembly. The regulations and other information regarding these new corporate reporting requirements will be posted on the Comptroller's website (www.marylandtaxes.com) as they become available.

Under the Tax Reform Act of 2007, as amended by Chapter 177 / 178 (Senate Bill 444 / House Bill 664) of the 2008 regular session of the General Assembly, *pro forma* combined corporate income tax returns will be required from all corporations that are members of a corporate group and are subject to the Maryland income tax. A corporate group is defined as an affiliated or controlled group under §1504 or §1563 of the Internal Revenue Code, or an affiliated group of corporations engaged in a unitary business with more than 50% of the voting stock of each entity held by a common owner(s) or by one or more members of the group. Those members of a corporate group that are not subject to the United States federal income tax, which are insurers as defined in §1-101 of the Maryland Insurance Article, or are a regulated investment company as defined in §851(A) of the Internal Revenue Code, are not considered as members of the group for these information reporting purposes.

The *pro forma* combined returns for tax year 2006 are due October 15, 2008. *Pro forma* returns for tax year 2007 are due by the extension due date for tax year 2007 corporate income tax returns (October 15, 2008 for calendar year taxpayers). For tax years 2008 through 2010, the *pro forma* returns will also be due by the extension due date. These reporting requirements expire after tax year 2010.

The Comptroller's Office is currently developing a means of electronically filing these reports (required by law) as well as a penalty system to ensure that the *pro forma* returns are filed accurately and timely. The online filing system will be available by September. If your corporation is a member of a corporate group but another member will be filing the *pro forma* return, you will be required to report through the electronic filing system which member is filing the return for the group. Similarly, if you receive this notice but are not a member of a corporate group or otherwise not required to file the *pro forma* return, you will be required, this year only, to affirm that fact through the electronic reporting system.

All information regarding these requirements will be posted on the Comptroller's website as it becomes available; please check www.marylandtaxes.com periodically. Our corporate information reporting hotline is 410-767-3015 (toll free 866-588-2086).

For the deaf and hard of hearing: TTY users call via Maryland Relay at 711 in Maryland or 1-800-735-2258 from elsewhere.
If you need a reasonable accommodation for a disability, please contact us before you visit. If you need the information in this publication in an alternate format, contact the Comptroller's Office.



Maryland State Bar Association, Inc.

July 14, 2008

*Via electronic (droose@comp.state.md.us)
and First Class Mail*

David F. Roose
Director, Bureau of Revenue Estimates
Comptroller of Maryland
80 Calvert Street
Annapolis, Maryland 21401

Dear Mr. Roose,

Thank you for providing the draft regulations for Tax General §§ 10-402, 10-804 and 10.804.1, Maryland's new corporate reporting requirements, to the Section of Taxation of the Maryland State Bar Association ("the Section"). I am writing on behalf of the Section to provide comments. Please note that due to time constraints, the comments provided herein may be incomplete. To the extent necessary, the Section may submit additional comments during the regulation approval process. The following comments are the views of the Section of Taxation, but do not necessarily represent the position of the Maryland State Bar Association.

As an initial observation, the Section has significant concerns regarding the State's authority to impose such onerous reporting requirements on Maryland corporations, much less those corporate entities that do not have nexus with the State. While the Section understands that it is not the Comptroller's responsibility to challenge the constitutionality of legislation, the Section believes it is important to raise this issue for further discussion.

In addition, Tax Gen. § 10-402 applies only to those manufacturing corporations that have 25 or more employees and, as noted in Tax Gen. § 10-804, are required by law to file Maryland income tax or estimated income tax returns.¹ Tax Gen. § 10-804.1 imposes the new reporting requirements on all corporations that are part of a corporate group and subject to Maryland income tax. It would be helpful if the regulations explain the relationship between these sections, both of which were amended by House Bill 664.

¹ Newly amended Tax Gen. § 10-804 provides that, "[e]ach person *required under this subtitle to file an income tax return or estimated income tax declaration or return* shall . . . attach to an income tax return or otherwise file with the Comptroller any records or statements that the Comptroller requires . . ." Tax-Gen. § 10-804 (emphasis supplied).

David F. Roose
Director, Bureau of Revenue Estimates
July 14, 2008
Page 2 of 6

With respect to the specific language of the draft regulations, § 02.B provides, "Every corporate group shall file with the Comptroller the following reports..." Section 01.B(2) of the draft regulations define "corporate group" by reference to Tax Gen. § 10-804.1(a)(1), which provides:

(1) "corporate group" means:

(i) an affiliated group or controlled group under § 1504 or § 1563 of the Internal Revenue Code; or

(ii) an affiliated group of corporations:

1. that is engaged in a unitary business; and

2. more than 50% of the voting stock of each member of which is directly or indirectly owned by a common owner or common owners, either corporate or noncorporate, or by one or more members of the group; and

As a preliminary matter, the reference in § 01.B(2) of the draft regulations should be to Tax Gen. § 10-804.1(a)(1) *and* (a)(2), which provides an express limitation on the definition of a "corporate group":

(2) "corporate group" does not include:

(i) any corporation that, for any reason, is not subject to United States federal income tax;

(ii) an insurer as defined in § 1-101 of the Insurance Article; or

(iii) a regulated investment company, as defined in § 851(a) of the Internal Revenue Code.

Moreover, there is no limitation in the definition of "corporate group" to only those corporations subject to Maryland income tax. Thus, the draft regulations appear to impose the reporting requirements on "all" corporations, rather than just those required to file a Maryland income tax return. Because such a result creates an unauthorized expansion of the reach of the law and would certainly violate due process, the Section recommends amending the language of §

David F. Roose
Director, Bureau of Revenue Estimates
July 14, 2008
Page 3 of 6

02.B of the draft regulations to: “Every corporate group that includes a corporation required to file a Maryland income tax return shall file with the Comptroller the following reports...” And because a “corporate group” includes affiliates that are not necessarily part of a unitary business (*see* Tax Gen. § 10-804.1(a)(1)(ii)), the Section further recommends that § 02.B of the draft regulations be revised by inserting the phrase, “with respect to the members thereof engaged in a unitary business” after “reports” and before the colon.

The extensive reporting requirements set forth in the draft regulations are not contemplated by House Bill 664. The proposed reporting requirements are unduly burdensome and onerous, particularly for corporations with numerous subsidiaries. Moreover, we suspect that the calculations required to satisfy the reporting requirements will be far too complex and confusing for smaller corporate groups and many return preparers. The Section recommends simplifying the information requested and calculations required. For example, the Comptroller could select one method of reporting, either a Joyce or Finnigan combination, and providing detailed examples of the chosen method to better assist those taxpayers and preparers who attempt in good faith to comply with the reporting requirements.

In addition, the Section recommends modifying the definition of “Finnigan” or “Full Unitary Combination” in § 01.B(5)(b)(ii) of the draft regulations by adding the following language at the end of the definition: “where at least one of the corporations is required to file a Maryland corporate income tax return.”

An area of significant concern is the penalty section of the draft regulations. While the Comptroller has been directed to develop and implement an oversight and penalty system to ensure that corporations provide the required disclosure statements in a timely and accurate manner, the amount and nature of the penalties proposed go well beyond deterrence and instead, border on extreme retribution.

The existing penalty regime set forth in Subtitle 7 of Title 13 of the Tax General Article does not use *per diem* penalties. Because Tax Gen. § 10-804.1 imposes a reporting requirement for purposes of evaluating a change to combined reporting, and has nothing to do with a taxpayer’s actual compliance and tax liabilities, a one-time fixed penalty, with a one-time increase for failure to comply after notice from the Comptroller, is more reasonable and appropriate. Moreover, a *per diem* penalty is certain to raise far more administrative issues and burdens, including challenged computations and waiver requests, than a fixed penalty.

David F. Roose
Director, Bureau of Revenue Estimates
July 14, 2008
Page 4 of 6

The Section recommends a one-time fixed penalty for failure to comply with the reporting requirements. The amount of penalty should take into account the size of the company involved. In addition, § 03.A should expressly provide that no penalty will be imposed where the failure to comply is due to reasonable cause. Based on the foregoing, the Section proposes the following revision to § 03.A of the draft regulations:

03.A. Failure to file required reports.

(1) In the case of failure to file the reports required under this chapter, unless it is shown that such failure is due to reasonable cause and not due to willful neglect, the Comptroller shall assess the penalties set forth herein.

(2) The penalty to be assessed shall initially equal \$1,500 for companies with gross Maryland revenue less than \$2,500,000; \$3,000 for companies with gross Maryland revenue equal to or in excess of \$2,500,000 to less than \$10,000,000; and \$5,000 for companies with gross Maryland revenue equal to or in excess of \$10,000,000. If a company does not comply within sixty (60) days after receiving written notice from the Comptroller of failure to file appropriate reports, the penalty shall increase to \$5,000 for companies with gross Maryland revenue less than \$2,500,000; \$10,000 for companies with gross Maryland revenue equal to or in excess of \$2,500,000 to less than \$10,000,000; and \$35,000 for companies with gross Maryland revenue equal to or in excess of \$10,000,000.

In addition, the time for correcting inaccurate reports should be extended beyond 20 days. As such time period runs from the date of the notice, more response time is needed to account for the potential of time passage until the notice is actually mailed, the period of time in the mail, and the potential for intervening weekends and holidays. The Section recommends a minimum 60-day correction period running from the date the Comptroller issues written notice to the corporate group, particularly in light of the complexities of the calculations required. The draft regulations should provide that all such notices must be sent to each member of the corporate group that would be subject to penalties for failure to comply with the reporting requirements.

With respect to imposition and collection of any penalties imposed, the Section recommends revision of § 03.C to account for the fact that Maryland does

David F. Roose
Director, Bureau of Revenue Estimates
July 14, 2008
Page 5 of 6

not have jurisdiction over the members of a corporate group that do not have nexus with the State. In addition, the language should be amended to provide that the penalties imposed are "joint and several" and not cumulative, and to the extent the Comptroller collects a penalty, or portion thereof, from one member of the corporate group, the Comptroller is required to provide prompt written notice of that payment to the other members of the corporate group and to adjust their accounts accordingly. Based on the foregoing, the Section recommends that § 03.C of the draft regulations be amended as follows:

C.(1) With respect to any penalties assessed under this chapter, all members of the corporate group that are required to file a Maryland income tax return or that are engaged in a unitary business will be jointly and severally liable for the penalties assessed.

(2) To the extent a member of a corporate group pays all or a portion of a penalty assessed under this chapter, the Comptroller is required to send written notice of such payment, and any remaining balance due as of the date of the notice, to all members of the corporate group assessed with the penalty at issue.

Under Tax Gen. § 10-804.1(c)(3), the Comptroller is required to publish the name of, and penalty imposed on, any corporation failing to file a statement required under this section or filing an inaccurate statement. The draft regulations should provide that the Comptroller will issue written notice of its intent to publish such information to each member of the corporate group and provide the corporate group with an opportunity to come into compliance. In addition, because the draft regulations specifically provide for an opportunity to correct an inaccurate report, the draft regulations should further provide that no publication pursuant to Tax Gen. § 10-804.1(c)(3) will occur until a corporate group is given notice of any deficiency and a reasonable (i.e., 45 days) opportunity to cure.

Finally, the penalty appeal rights under the draft regulations are unclear. Under § 03.D of the draft regulations, a taxpayer can appeal a penalty assessed by seeking revision pursuant to Tax Gen. § 13-508. The draft regulations further provide that, "[a]ll statutes and regulations applicable to the informal hearing procedures set forth in § 13-508 shall apply.... [and] [a]fter the Comptroller's hearing officer issues a notice of final determination, the provisions of Maryland law regarding administrative and judicial review shall apply." Regs. § 03.D(1) and (2). However, § 03.E of the draft regulations, without citation to statute, provides that the Comptroller's refusal to waive a penalty, or decision to waive a

David F. Roose
Director, Bureau of Revenue Estimates
July 14, 2008
Page 6 of 6

part, but not the full amount of, a penalty, assessed under the regulation "shall be final and not subject to appeal." It is unclear whether the purpose of § 03.E of the draft regulations is to allow for consideration of "reasonable cause" or to provide for correction of erroneous assessments as contemplated by Tax Gen. § 13-509.

Assuming that § 03.A(1) of the draft regulations is amended as suggested herein by adding the "reasonable cause" language, the Section recommends the removal of § 03.E. A taxpayer's right to appeal is clearly provided in § 03.D of the draft regulations and the authority of the Comptroller to address late appeals is already provided by Tax Gen. § 13-509. Alternatively, the Section recommends amending § 03.E of the draft regulations to provide:

E. To the extent the imposition of a penalty has been upheld following a taxpayer's appeal as contemplated in § 03.D, or if no timely appeal was filed, the Comptroller may issue an order abating or decreasing the penalty assessed to correct an erroneous assessment as contemplated in Tax Gen. § 13-509.

The Section appreciates the Comptroller's invitation to participate in this process. Should you have any questions regarding the Section's comments, or if the Section can provide additional assistance, please contact:

Herman B. Rosenthal
Chair, State Legislation and Regulatory Proposals Committee
MSBA Section of Taxation
7 Saint Paul Street, Suite 1500
Baltimore, Maryland 21202
Phone: (410) 347-9488
E-Mail: hrosenthal@wtplaw.com

You may also contact me at (410) 547-7852 or cciraolo@rosenbergmartin.com. Thank you again for this opportunity to comment on the draft regulations.

Very truly yours,



Caroline D. Ciralo
Chair, Section of Taxation

03.04.14.00 (08/13/2008)

Title 03 COMPTROLLER OF THE TREASURY

Subtitle 04 INCOME TAX

ALL NEW Chapter 14 Corporate Income Tax Reporting

Authority: Tax-General Article, §§ 2-103 and 10-804.1, Annotated Code of Maryland

01. Definitions.

- A. In this chapter, the following terms have the meanings indicated.
- B. Terms Defined.
 - (1) "Commercial domicile" means the principal place from which the trade or business of the taxpayer is directed or managed.
 - (2) "Corporate group" has the meaning stated in Tax-General Article, § 10-804.1(a)(1) and (a)(2), Annotated Code of Maryland.
 - (3) "Nonoperational" means income of a corporation that is not earned as a part of the corporation's unitary business.
 - (4) "Unitary business" means a business in which the activities of the corporations comprising the business (whether related as a parent and subsidiary or as affiliated corporations related through common ownership) are economically interdependent as demonstrated by the following factors:
 - (a) strong centralized management;

-
- (b) functional integration; and
- (c) attainment of operational economies of scale.
- (5) "Water's Edge" is a method for preparing a combined income tax report that includes the income and activities of all members of a corporate group that are in a unitary business and are:
- (a) Corporations organized or incorporated in the United States, including those corporations qualifying for the Puerto Rico and Possession Tax Credit as provided in IRC Section 936; and
- (b) Corporations organized or incorporated outside of the United States whose business activity in the United States is 20% or more of the corporation's total business activity. Foreign corporations that conduct 20% or more of their business activity in the United States, as measured by the average of the property and payroll factors, must be included 100% in a water's edge combined report. Any business activity in Maryland will subject a foreign corporation to Maryland income tax. The threshold test for purposes of combined reporting determines whether the foreign corporation is a member of a unitary group.
- (6) "Joyce": a method of apportioning taxable income of a corporate group whereby the numerator consists of the Maryland receipts, property and payroll of all members of the group having nexus in Maryland and required to file a Maryland corporate income tax return.
- (7) "Finnigan": a method of apportioning taxable income of a corporate group whereby the numerator consists of the Maryland receipts, property and payroll of all

members of the corporate group regardless of whether the members have nexus with Maryland and are required to file a Maryland corporate income tax return.

02. Reports Required.

A. The reports described in this regulation shall be submitted electronically, using the form and instructions available on the Comptroller's website at www.marylandtaxes.com.

B. Every corporate group shall file with the Comptroller the following reports:

(1) A pro forma water's edge combined corporate income tax report, including taxable income of the corporate group, eliminations to account for intercompany transactions within the corporate group, and apportionment computed under both Joyce and Finnigan methods of apportionment.

(2) A report that reflects the dollar value of all property that is shipped from an office, store, warehouse, factory, or other place of storage in this State where the purchaser is the United States government.

(3) A report that reflects the dollar value of all property that is shipped from an office, store, warehouse, factory, or other place of storage in this State where the seller is not taxable in the state in which the purchaser takes possession.

(4) A report that reflects the amount and source of nonoperational income of each member of the corporate group whose commercial domicile is in this State.

C. The reports required hereunder shall be submitted for all taxable years beginning after December 31, 2005 and before January 1, 2011.

(1) The report to be submitted for a taxable year beginning after December 31, 2005 and before January 1, 2007 shall be submitted on or before October 15, 2008.

(2) The reports to be submitted for taxable years beginning after December 31, 2006 and before January 1, 2011 shall be submitted on or before seven months after the original due date of the corporation's Maryland tax return for the corresponding taxable year.

D. Every report required under this regulation shall be made under oath and signed in the manner required for the signature of a tax return filed under Tax-General Article § 10-804, Annotated Code of Maryland.

03. Penalties.

A. Failure to file required reports.

(1) If a corporate group fails to file the reports required under this chapter, the Comptroller shall assess the penalties set forth herein:

(2) The penalties to be assessed are:

(a) Five Thousand Dollars (\$5,000) per day for each of the first thirty (30) days following the due date during which a report has not been filed; and

(b) Ten Thousand Dollars (\$10,000) per day for each day after the first thirty (30) days that a report has not been filed.

B. Failure to file reports accurately.

(1) If the Comptroller determines that a report filed under this chapter has not been filed accurately, the Comptroller shall provide written notice to the corporate group of the determination.

(a) The notice from the Comptroller shall identify the parts of the report determined to be inaccurate.

(b) The notice from the Comptroller shall inform the corporate group that it has thirty (30) days from the date of the Comptroller's notice to file an accurate report.

(2) If following receipt of notice from the Comptroller of an inaccurate filing, the corporate group does not file an accurate report on or before the date specified in the Comptroller's notice, then the corporate group will:

(a) be deemed to have failed to file the required report, and

(b) be subject to the penalties set forth in Part A of this regulation.

(3) For purposes of assessing the penalties under this paragraph B, the first violation will be deemed to have occurred on the first day following the due date for filing of an accurate report as specified in the notice from the Comptroller issued pursuant to § B(1) of this regulation.

C. All penalties assessed hereunder are collectible from all members of the corporate group.

D. All penalties assessed hereunder may be appealed by the corporate group by seeking revision with the Comptroller pursuant to Tax-General Article, § 13-508, Annotated Code of Maryland.

(1) All statutes and regulations applicable to the informal hearing procedures set forth in § 13-508 shall apply.

(2) After the Comptroller's hearing officer issues a notice of final determination, the provisions of Maryland law regarding administrative and judicial review shall apply.

E. If no timely appeal is filed to the imposition of a penalty or if the taxpayer waives its right to an appeal of the imposition of a penalty, the Comptroller may issue an order abating or decreasing the penalty assessed to correct an erroneous assessment as contemplated in Tax-General Article, § 13-509, Annotated Code of Maryland. END

ALL NEW



October 8, 2008

Joint Committee on Administrative, Executive, and Legislative Review
Department of Legislative Services
Legislative Services Building
90 State Circle
Annapolis, Maryland 21401-1991

Re: Corporate Group Reporting Requirements

To the Honorable Members of this Committee:

The Section of Taxation of the Maryland State Bar Association respectfully submits our comments regarding the corporate group reporting requirements that are outlined in Emergency Regulation number 03.04.14.00 ("Emergency Regulations"), submitted by the Comptroller's Office to AELR (and posted on the Comptroller's website) and dated August 13, 2008. The Emergency Regulations are being promulgated by the Comptroller's Office in response to recently enacted Section 10-804.1 of the Tax-General Article (Chapter 178, Acts of 2008) requiring the Comptroller to submit annual detailed reports to the Governor and the General Assembly accounting for in-state and out-of-state income of corporate groups ("Detailed Reports").

In July, 2008, David F. Roose, Director, Bureau of Revenue Estimates, provided us with an initial draft of these regulations. A copy of the comments we submitted to Mr. Roose on July 14, 2008 is attached for your review. The Comptroller's Office adopted a few of our suggestions, including our request that the regulations: (i) include the full definition of a "corporate group" [which is consistent with Section 10-804.1 by excluding certain corporations from the definition and therefore the reporting requirements; (ii) clarify the taxpayer's penalty appeal rights and expand the Comptroller's ability to waive penalties absent a timely appeal; and (iii) extend the period of time that a taxpayer has to file a corrected report from 20 to 30 days (although our comments advocated 60 days as a more realistic and reasonable period).

Our primary concerns that remain unaddressed fall into three areas:

First and of greatest concern, the Emergency Regulations impose extreme and excessive penalties, ranging from \$5,000 to \$10,000 per day, for failure to file timely reports. The regulations provide that the penalties are collectible from all members of

the corporate group. This appears to mean that the same penalty may be applied multiple times. The Tax Section comments of July 14, 2008, provide an alternative approach intended to more reasonably equate the penalties to the infraction. The assessment of penalties in the amounts included in the Emergency Regulations could provide undue leverage against a taxpayer that is legitimately contesting the merits of an income tax assessment issued by the Comptroller.

Based on the changes that have been made to the statutory provision requiring corporate reporting, these draconian penalties go beyond the scope and amounts intended by the General Assembly. Moreover, the regulations should provide that the penalty shall be waived by the Comptroller where the corporate group establishes reasonable cause. This Committee is an appropriate body to convey to the Comptroller's Office that the severity of the penalties do, in fact, exceed the legislative intent of the General Assembly.

Second, the Emergency Regulations appear to expand the reporting requirement beyond that authorized by Tax-Gen Section 10-804.1 to corporations that are not part of a unitary corporate group or required to file an income tax return with the State of Maryland. This expansive reporting requirement is not authorized by Maryland law, could violate due process, and is inconsistent with the Comptroller's website that describes the law as limited in its reporting requirement to "members of a unitary corporate group".

Third, the initial filing due date of October 15, 2008 is unrealistic. While the Comptroller has provided data input screens on its website for corporations to use in fulfilling the reporting requirements, it is our understanding that technical glitches have arisen in using these screens. For example, the screen "times out" after 20 minutes and, unless the user has saved the input, it will be lost. Also, concerns have been raised regarding the user registration required by the site. Understandably, representatives are not registering and do not want to submit the information on behalf of their clients out of concern that they could have liability either directly or indirectly for the penalties.

The Tax Section understands that the Comptroller's Office is under strict time constraints to compile, prepare and submit accurate Detailed Reports as required by Section 10-804.1. We are concerned, however, that the Maryland business community, Maryland's business reputation and that of the Comptroller's Office could be harmed by regulations that are unnecessarily broad and punitive. The Emergency Regulations and the screens onto which information is to be inputted have only recently been posted on the Comptroller's website. As a result, we have concerns as to how widely known the reporting requirements are, particularly to smaller corporations.

We respectfully suggest that the due date for the initial filing be extended to no earlier than December 1, 2008. This would allow additional time for the Comptroller to address questions being posed by corporations and practitioners, and to more

specifically describe those members of corporate groups which are subject to the reporting requirements. Doing so will actually facilitate the gathering by the Comptroller of more meaningful information that is more consistently applied by the reporting corporate groups.

We hope to have the opportunity to address these issues in a public hearing before the Committee. In the interim, should any Committee Member have a question regarding the matters addressed herein, please feel free to contact me.

Very truly yours,



Herman B. Rosenthal, Chair
State Legislation and Regulatory
Proposals Committee
MSBA Section of Taxation
7 Saint Paul Street, Suite 1500
Baltimore, Maryland 21202
Phone: 410-347-9488
E-Mail: hrosenthal@wtplaw.com

cc: The Honorable Peter Franchot, Comptroller (via e-mail)
Linda Tanton, Deputy Comptroller (via e-mail)

1817290

TAX CONTROVERSY STUDY GROUP:

Oct. 14
Nov. 11
Dec. 9
Jan. 13
Feb. 10
Mar. 10
April 23
May 12

The meetings will be held:

Rosenberg | Martin | Greenberg, LLP
25 South Charles Street, Suite 2115
Baltimore, Maryland 21201

starting at 9:00 a.m.

TAX EXEMPT STUDY GROUP MEETINGS:

October 2, 2008
November 20, 2008
February 12, 2009

TRANSACTIONAL TAX STUDY GROUP MEETINGS:

September 10, 2008
October 8, 2008
November 12, 2008
December 10, 2008
January 14, 2009
February 11, 2009
March 11, 2009
April 8, 2009
May 13, 2009
June 10, 2009

**MONTGOMERY / PRINCE GEORGE'S COUNTY
TAX STUDY GROUP -- 2008-09**

Schedule of Meeting Dates, Locations and Discussion Topics
(Meetings Begin at 8:00 AM)

September 18, 2008	Stein Sperling, 25 West Middle Lane, Rockville MD 20850	Gifts to Irrevocable Trusts; including Crummey Powers, Ann G. Jakabcin, Stein Sperling et al.
October 16, 2008	Linowes & Blocher LLP, 7200 Wisconsin Ave. #800, Bethesda MD 20814	Controlling Interest Legislation & Regula- tions; Demetrios M. Datch Linowes & Blocher LLP
November 20, 2008	Law Office of Lawrence I. Wachtel, 1401 Rockville Pike, # 560, Rockville MD 20852-1434	Fall Round Table Discussion
January 22, 2009	SunTrust Bank, Private Wealth Man- agement, 1445 Research Blvd., Ste. 400, Rockville MD 20850	Report from the Heckerling Institute; Har- old W. Pskowski, BNA Tax Management, Brian R. Della Rocca, Stein Sperling et al.
February 19, 2009	Law Offices of Susan Oldham, 6701 Democracy Blvd. #300, Bethesda MD 20817	Self-Directed IRAs; Janelle S. Straszheim, Sandy Spring Bank
March 19, 2009	Law Office of Mary Beth Beattie 109 N. Adams Street Rockville MD 20850	Deferred Compensation and Section 409A; Brian R. Della Rocca, Frank Dunham III, Stein Sperling et al.
April 16, 2009	Fred B. Goldman, Esq., PA 103 N. Adams Street Rockville MD 20850	Spring Round Table Discussion
May 21, 2009	To Be Announced	Review of Maryland Tax Legislation

STATE TAX STUDY GROUP

2008-2009 MEETING AGENDA

DATE	SPEAKER	TOPIC
October 21, 2008	Jack Hearn	Maryland Tax Court Bob Zouck
November 18, 2008	Janet Johnson Debora Gorman	Hearing and Appeals Process in Comptroller's Office; Current Cases
December 16, 2008	Brian Oliner	Overview of new Comptroller's first complete year in office; Update of recent cases and litigation
January 20, 2009	Bill Hammond, David Lyon, and Jeffrey Comen	Update of cases and recent/pending legislation involving the State Department of Assessments and Taxation
February 17, 2009	Ed Muth and Michael Griffin	Administrative developments at the State Department of Assessments and Taxation; Recent cases and legislation regarding personal property tax
March 17, 2009	TBA	
April 21, 2009	Wallace Eddleman	An analysis of the last session of the Maryland General Assembly; Income Tax Developments
May 20, 2009	James T. Loftus	Update of recent cases and legislation impacting the Maryland sales and use tax; Developments regarding the Compliance Division

Members of the MSBA Sections of Estates & Trusts are invited to attend monthly meetings of the Estate and Gift Tax Study Group. The Study Group generally meets on the third Thursday of each month. The 2008-2009 meeting dates are listed below. For the meeting dates not listed, additional information will be provided at a later date.

October 23, 2008
November 27 2008
December 18, 2008
January 22, 2009 (fourth Thursday)
February 26, 2009
March 26, 2009
April 23, 2009
May 28, 2009

The meetings will be held at in the Bank of America, Tower 1, 4th Floor, 100 South Charles Street, Baltimore, Maryland 21202. Please bring your photo identification as security requires this for admission. A light lunch will be served at all the meetings. The meetings will begin at 12:30pm and end by 1:45pm.

If you are interested in joining the study group, please complete the statement and return it to the above address. Please remit dues by October 10, 2008.

Brian A. Balenson, Esq
L. Content McLaughlin, Esq
Tydings & Rosenberg LLP
100 East Pratt Street, 26th Floor
Baltimore, Maryland 21202

Employee Benefits Study Group Meeting Schedule

September 9, 2008
November 19, 2008 (special date for IRS speaker)
January 13, 2009
March 10, 2009
May 12, 2009
July 14, 2009
September 15, 2009 (late due to Labor Day)
November 10, 2009

This is an excellent opportunity to join in a roundtable discussion with experienced employee benefits practitioners. Meetings are generally from 12-2 on the second Tuesday of January, March, May, July, September, and November, subject to room availability. To attend the meetings, you must be a member of the Employee Benefits Study Group. Calendar year dues are \$75 for MSBA Tax Section members. We encourage members to bring a guest to the meetings. Meeting announcements are e-mailed about 2 weeks in advance and include the topic. For more information, or if you would like to be added to our e-mail list, contact Katrina Kamantauskas-Holder at katrina.kamantauskas@holderlaw.com.

Save the Date!

November 3-7

28th Annual MICPEL Advanced Tax Institute. Martin's West, 6817 Dogwood Road, Baltimore, Maryland 21244. Each day features nationally known authorities offering analysis and advice to help you in your practice. Registration is now open and information is posted on the the Section of Taxation web site - http://www.msba.org/sec_comm/sections/taxation/.

MSBA Tax Section Presents

The 8th Annual Tax

Professionals' Networking Night

It's almost time for the Eighth Annual Tax Professionals' Networking Night. The MSBA Tax Section will host this year's event on Thursday, November 13, 2008, from 6:00 to 9:00 p.m. at Trapeze, 8180 Maple Lawn Boulevard, Fulton, Maryland 20759. Same location as last year, 4 minutes from I-95 and about a minute off Route 29, with plenty of free parking.

This is an excellent networking opportunity for Tax Section members, our accounting colleagues, and state and federal tax officials. Last year we had more than 80 attendees! Expect good food, good drink and good conversation in a collegial atmosphere. And, as always, be ready to win one of several tax-related door prizes.

Tickets go on sale at the beginning of October. Reservation forms will be available on the Tax Section website, http://msba.org/sec_comm/sections/taxation/. Reservation forms can be mailed or faxed (with credit card payment) to MSBA.

For more information on this popular event, or if you would like a reservation form mailed to you, contact Katrina C. Kamantauskas-Holder, chair of the Tax Section Member Services/Program Committee, at 410.296.9551 or katrina.kamantauskas@holderlaw.com.

Help us keep our ticket prices down! If your firm is interested in being a sponsor for \$250.00 to help underwrite the cost of this event, please contact katrina.kamantauskas@holderlaw.com.

SYMPOSIUM ON STATE AND LOCAL TAX POLICY

Thursday, December 4, 2008

For the second year in a row, the MSBA Tax Section is co-sponsoring a Symposium on State and Local Tax Policy. This year's topic will be Expanding the Tax Base: Policy, Legality and Practicality. The Symposium will be held on December 4th at the University of Baltimore School of Law from 3:00 to 5:00 followed by a reception. The Symposium will feature a panel discussion among state tax experts and Maryland tax policy makers about Maryland's needs and efforts to expand the state tax base and the legal, constitutional and policy obstacles and considerations of such expansion. Confirmed panelists include State Senator David Brinkley (R) (Member, Budget & Taxation Committee), Joseph Crosby (COO and Senior Director of COST), Walter Hellerstein (author of State Taxation), Jerry Langbaum (former Counsel to the Comptroller of Maryland), and Sheldon H. Laskin (Counsel to the Multistate Tax Commission). Invited Panelists include Delegate Sheila Hixson (D) (Chair, Ways & Means Committee). The panel will be moderated by Jeffrey A. Markowitz, Miles & Stockbridge P.C., and David De Jong, Stein, Sperling, Bennett, De Jong, Driscoll & Greenfeig, P.C. This event is free and open to the public.

TAX TALK © 2008 MSBA TAX SECTION

Editor, G. Evans Hubbard
3818 Beech Avenue
Baltimore, Maryland 21211-2222
Tel: 410-260-7982
Fax: 410-947-2968
ghubbard@comp.state.md.us

Assistant Editor, Paul G. Marcotte, Jr.
Paley Rothman
4800 Hampden Lane, 7th Floor
Bethesda, Maryland 20814-2930
Tel: 301-951-9330
Fax: 301-652-5412
pmarcotte@paleyrothman.com

Comments, contributions, and suggestions are greatly appreciated. Please direct them to the Editor.

Items contained in Tax Talk reflect the views of the individuals who prepared them and do not necessarily reflect the opinions of the MSBA Tax Section.