



House Bill 765

Maryland Tax Revision Commission

MACo Position: **SUPPORT**
WITH AMENDMENTS

To: Ways and Means Committee

Date: February 21, 2020

From: Kevin Kinnally

The Maryland Association of Counties (MACo) **SUPPORTS HB 765 WITH AMENDMENTS**. This bill establishes the Maryland Tax Revision Commission to review and make recommendations on issues related to the State's revenue structure.

Counties, just like the State, have a vested interest in tax and fiscal policy. The General Assembly routinely considers proposals to change tax structures, often seeking to stimulate economic growth, encourage beneficial activities, or attract and retain residents. These proposals often are focused exclusively on the state's tax structure, but sometimes extend to local revenues as well. Accordingly, MACo urges the Committee to expand the Commission's membership to include county government representatives.

The Commission is tasked with examining the State's current tax systems in terms of revenue productivity and stability, efficiency, simplicity of administration, and effect on Maryland's economy. Further, the Commission will propose solutions for meeting the State's projected revenue needs while recommending potential modifications to tax rates and economic policies that should either be encouraged or discouraged through tax policy.

The thirteen-member Commission includes members of the General Assembly, the Comptroller's Office, public finance professionals, and representatives from the business community. Staff is provided by the Department of Legislative Services.

Insofar as this Commission will study and make recommendations on fiscal policies that directly affect local revenues, including county members will provide valuable input and properly assure balanced representation.

For these reasons, MACo urges the Committee to issue a **FAVORABLE WITH AMENDMENTS** report for HB 765.

MACo Proposed Amendment to HB 765

On page 1, after line 21 insert:

“(IV) ONE REPRESENTATIVE OF A COUNTY WITH A POPULATION OF 200,000 OR MORE;

“(V) ONE REPRESENTATIVE OF A COUNTY WITH A POPULATION OF LESS THAN 200,000;”