

From the Desk of the Comptroller

This summer, the Comptroller's Office has been hard at work adding some exciting and informative new features to our Web site, www.marylandtaxes.com.

As the state's chief financial officer, I am concerned with how your tax dollars are spent, particularly in these tight economic times. Our new initiative, called 'Spotlight on Maryland Money,' shows you where state dollars come from, where they go and how they benefit you.

This is the first time a state agency has laid out all this important information in such an easy to understand way. You can even figure out exactly how your tax dollars are spent among critical programs like education, the environment and public safety. Shining a spotlight on the state's books and ensuring government funds are spent appropriately are concepts we should all embrace.

You can still find the important personal and business tax information you need on the 'Maryland Taxes' section. If you are a vendor or state employee, you can find important information as well including as our unclaimed property database under the 'Comptroller of Maryland' section.

I hope the new information we are providing is useful to you and I encourage you visit our site regularly for more improvements over the next six months. I welcome your comments on what you like about our site and what you want to see improved. All you have to do is simply click on the 'Contact Us' link at the bottom of any page. Happy surfing, and I look forward to hearing from you!

Peter Franchot



Revenews: Tax Amnesty Edition



Maryland Tax Amnesty

September 1st - October 30th

Be on the look out for a special edition of **Revenews: Tax Amnesty**, coming in mid-August. Any and all information you need to know about the upcoming Tax Amnesty period, which runs September 1 - October 30, will be included.

Updates will also be available online at www.marylandtaxes.com, starting in early August.

Revenews

New General Accounting Director Named

Comptroller Peter Franchot recently appointed Roland L. Unger as the head of the agency's General Accounting Division.

Unger will lead the state's accounting activities and corporate purchasing card program in addition to producing Maryland's annual financial report and ensuring 20,000 vendor payments. Unger is replacing John Kenney, a 34-year veteran of the department. Accounting functions were the first tasks of the Comptroller's Office when it was created in 1851.

Before Unger's appointment, he managed the city of Westminster's \$40 million budget and implemented a new \$400,000 financial software package. Prior to that post, Unger was the chief financial officer for the Maryland Supplemental



Retirement Plans supervising \$2 billion in assets for 66,000 employee participants. He has served as a Certified Public Accountant in his own firm as well as at other companies across the state. Prior to serving in the financial world, Unger served on the Baltimore City and county police departments as a SWAT team leader and foot patrol officer.

Unger is a 1972 graduate of Towson University. He earned a master's degree in business administration in 2002 from the University Maryland College Park and is currently working on his Ph.D. in management from the same institution. He resides in Hunt Valley, MD with his wife Ann and their four children, Christian, Christine, Jonathan and Sarah.

Comptroller Receives Prestigious Honor in Financial Reporting

CAFR Awarded Highest Honor for 30th Consecutive Year



A North-American government finance organization recently awarded Comptroller Peter Franchot with the Certificate of Achievement for Excellence in Financial Reporting. The Government Finance Officers Association of the United States and Canada (GFOA), honored Comptroller Franchot for

Maryland's fiscal year 2008 Comprehensive Annual Financial Report (CAFR). Received for the last 30 years, the award is

the highest form of recognition in the area of governmental accounting and financial reporting.

"I have always been a strong advocate for transparent government and as the state chief fiscal officer, I strive to keep our agency running in the most efficient and effective way possible," said Comptroller Franchot.

The CAFR is judged by an impartial panel to meet high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users to read the CAFR.

For more information on award program, visit the GFOA Web site at <http://www.gfoa.org>. For more information on the state's financial picture, view the state's fiscal year 2008 CAFR at <http://www.marylandtaxes.com/>

The 2009 Legislative Summary

In 2009, the Maryland General Assembly passed and the Governor signed the following statewide bills related to income, sales and use, admission and amusement and estate tax as well as motor fuel, alcohol, tobacco and business licensing laws. A number of laws impacting local jurisdictions can be viewed online at www.marylandtaxes.com.

INCOME TAX

Senate Bill 552 (Chapter 277, Acts of 2009) – Tax Amnesty Program

This act requires the Comptroller to declare an amnesty period from September 1, 2009 to October 30, 2009, both inclusive, during which the Comptroller shall waive all civil penalties (except previously assessed fraud penalties) and one-half of the interest that would have been imposed on certain delinquent taxpayers for nonreporting of tax liability, underreporting of tax liability, and nonpayment of tax liability.

The waiver of civil penalties and interest under this amnesty program generally applies to a delinquent taxpayer who: (1) on or before December 31, 2008, failed to file a return required or pay the tax imposed for individual income tax, corporate income tax, withholding tax, sales and use tax, or admissions and amusement tax; and (2) during the tax amnesty period, files a delinquent return, pays the tax due under the return or has an agreement with the Comptroller to pay the tax due in full on or before December 31, 2010 in accordance with the terms and schedules established in the agreement.

This amnesty program does not apply to: (1) any taxpayer that, as of September 1, 2009, has more than 500 employees in the United States or is a member of a corporate group that has more than 500 employees in the United States; (2) any tax for which a taxpayer was granted amnesty under the 2001 Maryland tax amnesty program; or (3) any taxpayer who was eligible for the July 1, 2004, through November 1, 2004, settlement period, as provided in

Chapter 557 of the Acts of 2004, regardless whether or not the taxpayer participated in the Settlement Period.

Effective Date: June 1, 2009

Senate Bill 554 (Chapter 280, Acts of 2009) – Chesapeake Bay Nitrogen Removal Act of 2009

This act prohibits a person from installing, or having installed, on property a person owns in the State in the Chesapeake and Atlantic Coastal Bays Critical Area, an on-site sewage disposal system to service a newly constructed building, unless the on-site sewage disposal system utilizes nitrogen removal technology. The act also prohibits a person from replacing or having replaced, an existing on-site sewage disposal system on property a person owns in the State in the Chesapeake and Atlantic Coastal Bays Critical Area, unless the replacement on-site sewage disposal system utilizes nitrogen removal technology.

The act also provides for a new subtraction modification from federal adjusted gross income on Maryland individual income tax returns. An individual will be allowed a subtraction for the amount by which the cost difference between a conventional on-site sewage disposal system and a system that utilizes nitrogen removal technology exceeds the amount of assistance the individual receives from the Department of the Environment.

Effective Date: October 1, 2009

Subtraction Modification: Applicable to all taxable years beginning after December 31, 2009.

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Senate Bill 604 (Chapter 290, Acts of 2009) – Tax Credits for Qualifying Employees with Disabilities – Sunset Extension

This act extends by one year the termination provision and dates of applicability of the tax credit that an employer may claim for wages, child care and transportation expenses for qualified employees with disabilities. The new termination date for this Qualifying Employees with Disability Tax Credit is June 30, 2010.

Effective Date: June 1, 2009

Senate Bill 698 (Chapter 593, Acts of 2009) and House Bill 883 (Chapter 594, Acts of 2009) – Income Tax Refund – Direct Deposit – Multiple Accounts

These acts were cross-filed and are identical. These acts require the Comptroller to directly deposit portions of an income tax refund into at least two accounts at one or more financial institutions, if requested by a refund claimant.

Effective Date: January 1, 2011

Senate Bill 800 (Chapter 605, Acts of 2009) and House Bill 493 (Chapter 606, Acts of 2009) – Biotechnology Investment Incentive Tax Credit

These acts were cross-filed bills and are identical. The acts amend the Biotechnology Investment Incentive Tax Credit. These acts clarify that a qualified investor includes both an individual and entity.

In addition, the acts make a change to enacted Chapter 518 of the cts of 2008. The acts provide that Chapter 518 remains effective as of July 1, 2008, but removes the language that the chapter applies to all taxable years after December 31, 2008. The acts provide that for Chapter 518, a tax credit for an investment

shall be claimed for the taxable year in which the investments were made.

Effective Date: July 1, 2009

Senate Bill 909 (Chapter 188, Acts of 2009) – Workplace Fraud Act of 2009

This act establishes a presumption that work performed by an individual paid by an employer creates an employer-employee relationship, unless the employer can show that the individual is an exempt person or an independent contractor, as defined by the statute established under This act and the classifying regulations that the Commissioner of Labor and Industry (the “Commissioner”) of the Department of Labor, Licensing, and Regulation (DLLR) shall issue.

This act specifically prohibits an employer in the construction services and landscaping services industries from: (1) improperly misclassifying an employee; or (2) knowingly misclassifying an employee.

This act sets forth the procedures and penalties for employer noncompliance that three areas of State government—labor and industry, workers’ compensation, and unemployment insurance—may enforce.

If the Commissioner determines that the employer is in violation for failing to properly classify an employee, the Commissioner shall notify the Comptroller, the Office of Unemployment Insurance, the Maryland Insurance Administration, and the Workers’ Compensation Commission to enable these agencies to assure the employer’s compliance with the agencies’ laws, utilizing their own definitions, standards, and procedures.

Effective Date: October 1, 2009

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House Bill 101 (Chapter 487, acts of 2009) – Budget Reconciliation and Financing Act of 2009

This act contains multiple provisions related to balancing the state budget. The act reduces the money appropriated for the Maryland-mined Coal Tax Credit; provides that a certain amount must be added to or subtracted from federal adjusted gross income to determine net operating loss deductions and income from discharge of indebtedness; and provides that Maryland's automatic decoupling provisions do not apply to any change included in the American Recovery and Reinvestment act of 2009 (ARRA).

Maryland's Budget Reconciliation and Financing act of 2009 takes effect June 1, 2009 (except for the changes to Tax-General Article §10-210.1(b) enacted by This act, which takes effect July 1, 2009) and Tax-General Article §8-406(b)(2)(iv) as enacted by This act shall be applicable to all taxable years beginning after December 31, 2008.

Subtitle 2, to determine the Maryland adjusted gross income of an individual, an amount is added to or subtracted from federal adjusted gross income to reflect the recognition of income from discharge of indebtedness and the allowance of any deduction with respect to original issue discount without regard to §108(i) of the Internal Revenue Code.

The provisions of §10-210.1(b) of the Tax-General Article as amended by This act shall be applicable to any taxable year to which §108(i), §168(k), §172(b)(1)(H), or §179 of the Internal Revenue Code, as amended by the American Recovery and Reinvestment act of 2009 (P.L. 111-5), apply.

The act provides in section 24 of the act that notwithstanding any other provision of law, §10-108(a) of the Tax-General Article does not

apply to any amendment of the Internal Revenue Code that was enacted by the American Recovery and Reinvestment act of 2009 ("ARRA") (P.L. 111-5). This provision means that Maryland's automatic decoupling provisions do not apply to any change included in the ARRA.

Additionally, Maryland is coupled to any amendment of the Internal Revenue Code provided for in the ARRA unless Maryland has specifically decoupled from an amendment by statute. The effect of this provision is that Maryland is coupled with three provisions in the ARRA that would flow through to the Maryland tax calculation. Those three provisions are the federal Earned Income Credit (EIC) increase, the unemployment insurance benefits exclusion, and the sales and use tax deduction for new vehicle purchases.

The ARRA allows income recognized from the cancellation of debt (CODI) in 2009 and 2010 to be deferred for five years. However, House Bill 101 explicitly decouples Maryland income tax law from this change. Therefore, this amendment will not effect Maryland income tax calculations.

Effective Dates: This act will take effect June 1, 2009 (except for the changes to Tax-General Article §10-210.1(b) enacted by This act, which will take effect July 1, 2009) and Tax-General Article §8-406(b)(2)(iv) as enacted by This act shall be applicable to all taxable years beginning after December 31, 2008.

House Bill 810 (Chapter 422, Acts of 2009) – Income Tax – Mandatory Income Tax Return Preparer Requirements.

This act requires income tax return preparers who have prepared, for compensation, more than a certain number of qualified State income tax returns in the prior taxable year to file all qualified State income tax returns electronically. A qualified State income tax return is any original return of individual income tax imposed by Title 10 of the Tax-General Article, regardless of whether a

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tax is due or a refund is claimed. For a taxable year beginning after December 31, 2008 but before January 1, 2010, a preparer who has prepared more than 300 qualified returns in the prior taxable year is required to file the returns electronically. For a taxable year beginning after December 31, 2009 but before January 1, 2011, it is more than 200 qualified returns in the prior taxable year. For any taxable year beginning after December 31, 2010, it is more than 100.

This act authorizes the Comptroller to impose on a preparer a \$50 penalty for each return that is not filed electronically in compliance with This act, unless the preparer is able to show that the failure to comply is due to reasonable cause and not due to willful neglect. The total penalties assessed may not exceed \$500 for all returns filed by the preparer in a taxable year.

The penalty does not apply if a taxpayer does not want the taxpayer's return filed by electronic means or if the preparer has sought by written request, and received, a waiver from the Comptroller.

Effective Date: July 1, 2009, and applicable to all taxable years beginning after December 31, 2008.

House Bill 1399 (Chapter 166, acts of 2009) – Department of Housing and Community Development – Neighborhood and Community Assistance Program – Individual Donor Eligibility – Tax Credit

This act amends the Housing and Community Development Article to expand the Neighborhood and Community Assistance Tax Credit by allowing the credit to be claimed by an individual, as defined under Section 10-101 of the Tax-General Article. Currently, the Neighborhood and Community Assistance Tax

Credit is available only to a business entity.

Effective Date: July 1, 2009, and applicable to all taxable years beginning after December 31, 2009.

SALES AND USE TAX

Senate Bill 44 (Chapter 506, Acts of 2009) – Sales and Use Tax – Exemption – Veterans' Organization

This act extends by three years the termination date for the sales and use tax exemption for sales to certain veterans' organizations, from June 30, 2009 to June 30, 2012.

Effective Date: June 1, 2009

Senate Bill 621 (Chapter 574, Acts of 2009) – Sales and Use and Property Tax – Exemptions – Solar Energy Equipment and Property

This act expands the definition of "Solar energy equipment" in the Tax-General and Tax-Property Articles to include that the sales and use tax and real property tax does not apply to solar energy equipment that uses solar energy to generate electricity that is supplied to the electric grid.

Effective Date: July 1, 2009

House Bill 1171 (Chapter 444, Acts of 2009) – Alternative Energy Tax Incentive Act of 2009

This act expands the Tax-General and Tax-Property Articles to provide an exemption from sales and use tax and real property tax on the sale of residential wind energy equipment installed on residential property that uses wind energy to generate electricity for use in a residential structure on the property.

Effective Date: July 1, 2009

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ADMISSIONS AND AMUSEMENT TAX

House Bill 193 (Chapter 661, Acts of 2009) – Gaming – Bingo

This act adds a new subtitle in the Economic Development Article. This new subtitle, “Subtitle 8. Special Fund for Preservation of the Cultural Arts in Maryland” provides for this special fund. This new fund’s purpose is to provide emergency grants to cultural arts organizations, including museums, or similar entities in the state. The act provides that the Comptroller must account for the fund.

The act also amends the Tax-General Article to provide for a new revenue distribution. The act provides that the Comptroller shall distribute the revenue from admissions and amusement tax on electronic bingo and electronic tip jars as follows.

First, the revenue attributable to a tax rate of 20% must be distributed to the general fund and then the revenue attributable to a tax rate in excess of 20% to the Special Fund for Preservation of the Cultural Arts in Maryland.

This act also extends the termination date for the authority for the operating of certain instant bingo games using electronic machines from July 1, 2009 to July 1, 2012 provided that the machines have been in operation for a one-year period ending December 31, 2007 or that the machines were in operation under a commercial bingo license as of December 31, 2007

Effective Date: June 1, 2009

ESTATE TAX

Senate Bill 156 (Chapter 202, Acts of 2009) – Maryland Estate Tax – Filing of Return

This act amends three sections of Title 7 of the Tax-General Article relating to the filing of the Maryland estate tax return.

The amendments change the requirement that the Maryland estate tax return be filed with the Registers of Wills, to allow the Maryland estate tax return to be filed directly with the Comptroller.

In addition, the amendments require that all amended Maryland estate tax returns be filed directly with the Comptroller. Finally, another amendment creates options concerning the mode of certification of inheritance taxes paid on behalf of each decedent.

Effective Date: July 1, 2009 and applicable to all decedents dying after December 31, 2008.

BUSINESS LICENSING

Chapter 483 – House Bill 1573 – Business Regulation – Soda Fountain License – Repeal

This bill repeals a provision of law requiring a person to have a soda fountain license whenever the person does business operating a soda fountain in Maryland.

Effective Date: October 1, 2009

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Chapter 209 – Senate Bill 174 (Chapter 210 – House Bill 171) – Business Regulation – Vending Machine Sales – Bulk Vending Machine Exemption

This bill exempts bulk vending machines from the vending machine license requirement under Title 19, Subtitle 19 of the Business Regulation Article. Bulk vending machines are defined as those containing unsorted merchandise that upon the insertion of a coin, dispense equal portions of the unsorted merchandise at random without selection by the customer. Examples of bulk vending machines are those dispensing gumballs, toys, confections, and the like, and are not electronically operated.

Effective Date: October 1, 2009

MOTOR-FUEL

Chapter 364 - Senate Bill 92 – Motor Carriers – Identification Markers – Forged Documents – Criminal Penalties

This bill makes the possession, use, sale, or manufacture of a falsified IFTA license or decal a misdemeanor subject to one year imprisonment or a \$1,000 fine or both.

Effective Date: October 1, 2009

Chapter 377 – House Bill 163 – Motor Fuel – Dyed Diesel Fuel – Violations

This bill identifies and clarifies who may be charged with a violation of the dyed diesel fuel law. In some instances, the owner, with or without the knowledge of the operator, knows the vehicle is being driven with dyed diesel fuel. Currently, only the operator may be charged, but not the owner, who is the guilty party. This bill permits the owner or wrongdoer to be charged with a violation.

Effective Date: October 1, 2009

Chapter 61 - Senate Bill 392 (Chapter 62 -House Bill 377) – Business Regulation – Registration of Retail Service Station Dealers and Sale of Gasoline Products

This bill eliminates the expiration date of the conditional prohibition against the Comptroller on the issuance of a certificate of registration to a retail service station dealer who markets motor fuel through a retail service station that has been altered, enlarged, or structurally modified.

Also, the bill repeals the provision of law that requires a producer, refiner, or wholesaler of motor fuel after a certain date to extend voluntary allowances uniformly to all retail service station dealers that they supply.

Effective Date: October 1, 2009

ALCOHOLIC BEVERAGES

Chapter 353 - Senate Bill 64 – Alcoholic Beverage Tax – Assessment and Appeals – Tax Procedures and Penalties

This bill adds alcoholic beverage tax to the provisions which allow a taxpayer to make an application for revision of a tax assessment and for the Comptroller to hold an informal hearing concerning such an appeal. The bill also gives the Comptroller authority to decrease or abate an erroneous assessment for alcoholic beverage tax.

Currently, the authority of the Comptroller to conduct hearings related to the alcoholic beverage tax is in Article 2B. This authority should be in the Tax-General Article, Title 13 where all the other taxes collected by the Comptroller are found. Also, this bill increases the penalty for unpaid alcoholic beverage tax from an amount not exceeding 10% to an amount not exceeding 25%, the same as the penalty for unpaid tobacco tax.

The purpose of the increase in penalty amount is to

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align the alcoholic beverage tax with the tobacco tax, and to secure voluntary compliance.

Effective Date: October 1, 2009

Chapter 205 - Senate Bill 162 – Alcoholic Beverages – Resident Dealer’s Permit

This bill establishes a new Resident Dealer Permit for alcoholic beverages. The permit will be issued for an annual fee of \$200 to those persons who do not own a warehouse and sell directly through a licensed Maryland wholesaler.

This permit is the counterpart to the nonresident dealer permit, except for the residency requirement of two years prior to filing an application. A Maryland-based importer who Acts like a nonresident dealer with respect to Maryland wholesalers may pay the same annual licensure fee as nonresident dealers rather than the more costly wholesaler license fee.

Effective Date: July 1, 2009

TOBACCO

Chapter 688 - House Bill 653 - Fire Safety Performance Standard for Cigarettes – Sale or Distribution for Consumer Testing Under Controlled Settings

This bill defines “sell” and “consumer testing” for determining applicability of the Fire Safety Performance Standard law.

The definition of “sell” includes sample cigarettes, and cigarettes used for consumer testing. By changing the definition of “sell” to include cigarettes used for consumer testing, a manufacturer certification can be required for

those cigarettes used in a noncontrolled setting, such as random sampling of cigarettes sent to the public.

This type of certification may be filed “confidential under seal” with respect to the cigarettes descriptors of brand, style, length, circumference, flavor, and package in order to protect proprietary information.

Effective Date: October 1, 2009.

Chapter 347 - Senate Bill 1059– Cigarette Business Licenses – Cigarette Manufacturers – Definitions and Scope of License

This bill changes the definition of a manufacturer to include cigarette makers that have plants located outside of the United States, and those that sell cigarettes only to Maryland licensed wholesalers located outside of State boundaries. It allows all manufacturers to obtain a license to sell cigarettes in Maryland, and incorporates into the definition of manufacturer those “participating manufacturers” who are parties to the Master Settlement Agreement and defined as manufacturers under the MSA because of their status as the exclusive U.S. importer for foreign cigarette manufacturers.

Effective Date: October 1, 2009

Chapter 12 – Senate Bill 12 - Tobacco Product Manufacturers – Settlement of State Claims – Nonparticipating Manufacturers – Deposit of Funds in Escrow – Codification of Model Statute

This bill codifies the Tobacco Product Manufacturers Escrow Act passed by the Maryland General Assembly in 1999. It makes no substantive change to Maryland law. The Escrow Act requires

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cigarette manufacturers that have not signed the Master Settlement Agreement (MSA) to deposit certain monies in an escrow account to ensure that funds would be available if the State of Maryland were to sue them in the future.

By requiring these payments, the Escrow Act levels the playing field between tobacco manufacturers that have signed the MSA and those that have not, and thereby promotes the public health provisions of the MSA.

Effective Date: October 1, 2009



Comptroller Franchot New Ad Asks, “Who’s Watching Your Lost Money?”

GEICO Parody Features Comptroller, Senator John Astle and Town Crier

Comptroller Peter Franchot today unveiled his agency’s latest YouTube video promoting the agency’s unclaimed property program. A parody of the GEICO insurance ads featuring money that shows up when people least expect it, the video features Senator John Astle and the official Annapolis Town Crier, Squire Frederick. The video was debuted to a group of residents at Charlestown Retirement Community in Catonsville.

“The Comptroller’s Office is always looking for new ways to promote its unclaimed property program which helps return money to millions of Marylanders every year,” said Comptroller Peter Franchot. “YouTube provides a unique vehicle to educate the public about the nearly 800,000 accounts the agency has on its books,” he added.

“On behalf of Charlestown, I would like to thank the Comptroller for sharing the latest news regarding Maryland’s unclaimed property program,” stated Garret Falcone, Executive Director of Charlestown. “All Marylanders, particularly the senior community, benefit from the education efforts involving the user-friendly search website and the innovative YouTube video.”

Financial institutions, utilities, insurance companies and other corporations are required to report to the Comptroller any bank accounts, security deposits, wages, insurances benefits and contents of safe deposit boxes that have been unclaimed after three years. Funds remain the property of the owners or their legitimate heirs and can be claimed anytime. There is no statute of limitations.

Comptroller Franchot urges all Marylanders to check the agency’s complete unclaimed property records online for free at either www.marylandtaxes.com or www.missingmoney.com. The agency has records on approximately 787,000 accounts worth more than \$795 million.

Along with yearly newspaper advertising, the agency also searches for owners of unclaimed funds by setting up computers at senior centers across the state, the Maryland State Fair and other events to allow people to check the Comptroller’s files of unclaimed funds. In fiscal year 2008, which ended on June 30, 2008, the Comptroller’s Office honored nearly 48,000 claims totaling more than \$52 million.

To view the video, visit <http://www.youtube.com/watch?v=t3LVYF1X9Dw>

Comptroller Franchot Releases FY 09 Results for Contraband Alcohol and Cigarette Confiscations, Fuel Violations

Known for his commitment to vigilantly enforcing Maryland tax laws, Comptroller Peter Franchot released the final figures of alcohol, cigarette and motor fuel violations for fiscal year 2009.



He praised the work of his agents and local law enforcement officials in working together to protect law-abiding businesses from underground operations and tax cheats.

For fiscal year 2009, which ended on June 30, Comptroller agents issued 113 cigarette violations, resulting in the confiscation of 172,715 packs of cigarettes valued at \$853,220. Both numbers represent a significant increase from fiscal year 2008, which ended with 55 violations and 55,947 seized packs. Along with increases in seized tobacco products, FY 2009 saw a huge increase in the amount of confiscated alcohol.

This past year agents confiscated 1,150 gallons of distilled liquor, 137 gallons of wine and more than 44,300 containers of beer as a

result of 91 violations. The total retail value of the seized alcohol was \$141,709. The value of the products as well as the gallons of distilled liquor and container of beer represent an increase of more than 100 percent from FY 2008.

Field inspectors issued 82 motor fuel violations, a significant decrease from the previous fiscal year which speaks to the integrity of the motor fuel retailers throughout the state.

In addition, nearly \$1.1 million of delinquent sales and use tax was collected by the office, all of which goes to the state's general fund.

To help further expand the efficiency of his enforcement efforts, the Comptroller recently entered into a new Memo of Understanding (MOU) with the Federal Bureau of Alcohol, Tobacco, and Firearms (BATF). The MOU provides a Comptroller's



Field Enforcement Agent who will be deputized by BATF to work on federal level investigations that have an impact on Maryland.

Franchot Holds Economic Online Chat Marylanders from across the state join in town hall chat

Renewing his commitment to making government more accessible, Comptroller Peter Franchot recently held his second online chat with Marylanders from across the state. The chat focused on the economy and the most recent revenue figures for the state that were released earlier that same morning. From his computer in Annapolis, the Comptroller received dozens of questions on topics ranging from revenue estimates to potential budget cuts to the agency's new and improved Web site.

"One of my top priorities is to ensure that my agency is as efficient, effective, and as innovative as possible. We take great pride in our reputation as the best Comptroller's Office in the nation, and we want to make state government even more transparent and accessible," said Comptroller Franchot. "During these tough fiscal times, people are worried about how the recession is impacting their state and their personal budgets. This chat was an opportunity for folks to get the latest numbers and have some of their questions answered immediately."

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This was the second online chat held by the Comptroller's Office and, like the first, proved very successful. Participants signed in via a link on the Comptroller's Web site and were able to follow along from there. Participants who, due to the high traffic, were not able to post their questions online during the hour-long chat, will have their questions answered via a special email account set up for chatters.

The Comptroller expressed his desire to have future chats with Marylanders throughout the year to help answer questions about taxes and the state's economy. A transcript of the chat is available online at <http://www.marylandtaxes.com/comptroller/transcript071609.asp>.

RENEWALS

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Office of Communications
PO Box 466
Annapolis, MD 21404-0466
410-260-7300 (voice)
TTY users call via Maryland Relay at
711 or 1-800-735-2258

Editor: Warren Hansen
(whansen@comp.state.md.us)

Staff Writer: Caron Brace
(cbrace@comp.state.md.us)

Graphics/Layout: Emma J. Wimbush
(ewimbush@comp.state.md.us)

To subscribe online visit www.marylandtaxes.com and click on the Renews link.

Annapolis, MD 21404-0466
P.O. Box 466
Goldstein Treasury Building
Comptroller of Maryland

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