



# MARYLAND BUSINESS TAX REFORM COMMISSION

Raymond S. Wacks, Chairman

## BUSINESS TAX REPORTING SUBCOMMITTEE

Minutes of Meeting  
October 22, 2009

A meeting of the Maryland Business Tax Reform Commission, Business Tax Reporting Subcommittee was held in the James Senate Office Building, President's Conference Center on Thursday, October 22, 2009 at 9:00 a.m.

Those present were:

Raymond S. Wacks, Chairman  
Delegate Page D. Elmore  
Paul Nolan  
Karen Syrylo  
Marc Nicole for Secretary T. Eloise Foster  
Steven Banks  
Patti Horton for Senator Nancy J. King  
Martin Lobel

Also present:

Andrew Schaufele  
George Manev  
Zhicheng Swift

The meeting was open to the public and members of local government, state government and other interested parties were in attendance.

Chairman Raymond Wacks opened the meeting at 9:05 a.m. by announcing that our job this morning is to figure out how to do our job. Mr. Wacks thanked Paul Nolan for the draft work plan that David Roose and Andrew Schaufele reviewed and made suggestions.

Paul Nolan went over the draft work plan for the Business Tax Reporting subcommittees indicating the timeline, and chronology of analysis of topics. Members discussed plan, offered suggestions and timelines.

Mr. Wacks expressed his concern over getting the necessary expertise and resources to cover the information on the work plan. The members of the subcommittee discussed options and potentially available resources.

Delegate D. Page Elmore addressed the combined reporting figures for 2007 and 2008. Mr. Wacks reminded the group that the interim report due next December will not be the final report. Mr. Wacks went on to say that we do not have to have final recommendations by December; we should highlight the pros and cons to date and outstanding issues at that time.

How often will subcommittee meet?

- The subcommittee will meet every other Thursday with a limit of two (2) hours. During session the subcommittee will meet on Monday afternoon. The Comptroller's Office staff will check into the availability of speakerphones for conference calling.

- Upcoming meeting dates:

Thursday, November 5<sup>th</sup> @ 10:00 a.m.

Thursday, November 19<sup>th</sup> @ 10:00 a.m.

Thursday, December 10<sup>th</sup> @ 10:00 a.m.

Web site:

- Minutes of the meetings and agenda will be made available on the web site.

The subcommittee discussed the agenda for the two next meetings.

Delegate d. Page Elmore asked if the Comptroller's Office knew how many corporations located in Maryland actually had a Delaware Holding Company. Mr. Schaufele responded by saying the Comptroller's Office could look at tax returns to see if they are completing the add back line item. Ms. Syrylo indicated the law that went into place while it was geared toward Delaware Holding Company transactions is actually much broader than that; so to go into the tax returns, so to just look at the add back line on the return is actually a lot more than just the Delaware Holding Companies. It would give some information about how much extra tax Maryland is getting but it would be more than just the tax planning driven issues. Delegate Elmore thanked Ms. Syrylo but went on to say that he would like to see those figures.

Meeting adjourned at 10:20 a.m.