

Business Incentives in the Tax Code Subcommittee

January 25

- Sales tax
 - Incentives
 - Exemptions
 - Tax-free periods
 - Remote sales
 - Streamlined sales tax
 - Special taxes (car rentals, hotel, admissions tax, etc.)
- Property, franchise, and other taxes
 - Implicit incentives / disincentives
 - Neighboring states

February 8

- Measuring effectiveness of incentives
 - Administering agencies (DBED, Planning, SDAT, counties)
 - Impact on tax administration (Comptroller)
 - Alternatives

March 1

- Subcommittee discussion
 - Who are Maryland's competitors / peers
 - How does Maryland compare
 - How are incentives best structured
 - How is the impact best measured
 - Are any existing incentives ineffective; if so, what should be done
 - Can existing incentives be made more effective
 - Is Maryland lacking any incentives

April

- Public hearings
- Subcommittee deliberations

May

- Draft report

June

- Report to full Commission

Business Tax Reporting Subcommittee

Late January

- Definition of “unitary group”
- Joyce and Finnigan
- Transition issues
 - Taxpayers
 - Tax administration

February 1

- Discussion of Comptroller’s combined reporting study and methodology
- Detailed examples / calculations of separate entity and combined returns
- Begin development of advantages and disadvantages of combined reporting

February 22

- Pass-through entity taxation issues
- Alternatives to the corporate income tax
 - Gross receipts tax
 - Inclusions / exclusions
 - VAT
 - Transitional issues
 - Experience of Ohio, Michigan and Texas
 - Begin development of advantages and disadvantages

March 8

- Subcommittee Discussion
 - Advantages and disadvantages of combined reporting
 - Joyce vs. Finnigan
 - Is gross receipts tax or VAT a viable standalone alternative to the corporate income tax, or possibly an adjunct to the corporate income tax

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