

Administrative:

Maryland: New Law Creates Whistleblower Reward Program for Taxes and Revises Limitations Period

H.B. 804, enacted without Governor's signature 5/30/21. New law establishes a whistleblower "reward program" for Maryland tax collections that will be administered by the Maryland Comptroller (Comptroller) effective October 1, 2021. The program permits eligible individuals who voluntarily provide original information to the Comptroller in a sworn affidavit that because of the original information, results in a final assessment in a defined "covered enforcement action," or a successful outcome against a taxpayer in a related action, to potentially receive a monetary award of at least 15%, but not more than 30%, of the taxes, penalties, and interest collected through the enforcement action or related action. The legislation includes provisions requiring the Comptroller to adopt regulations to implement this reward program, including regulations establishing procedures for the submission of original information by whistleblowers and protocols governing the determination of awards and the payment of awards to eligible and qualifying whistleblowers. The new law also alters the statute of limitations for Maryland tax collections by increasing the amount of time from when a tax is due until when it can be collected from seven years to ten years, as well as the amount of time from when a tax is assessed until when the assessment can be collected from seven years to ten years. Please contact us with any questions.

URL: <http://mgaleg.maryland.gov/mgawebsite/Legislation/Details/hb0804>

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