

From the Desk of the  
**Comptroller**



With the 2011 filing season underway, I'm happy to share some new efforts my agency is undertaking to preserve resources while continuing to offer the best possible service to taxpayers and tax professionals.

In addition to improving the ever-popular electronic tax filing system, the Comptroller's Office is taking our commitment to going green a step further.

As we have for the last several years, we continue to reduce the number of tax booklets printed and mailed each year, and will phase out their printing entirely next year. Rather, we will continue to offer the forms online in a printable format for those who choose paper filing. This is a solution that will save the

state \$250,000 per year and further our commitment to the environment.

In addition, we no longer provide paper tax forms and booklets to public libraries. Instead this year, public libraries received a CD of Maryland Tax Forms for their patrons' use. These forms will be available for any Maryland taxpayer to print at their convenience.

My office is always here to help. Please look to our Website, [www.marylandtaxes.com](http://www.marylandtaxes.com) for answers to tax related questions. As always, we greatly appreciate all Marylanders who diligently file and pay their taxes on time. We will also help those who struggle to pay their taxes and pledge to keep working on behalf of all the residents of Maryland.



## Here again, Shop Maryland Energy Tax-Free Weekend

This year, people can look forward to shopping for tax-free Energy Star appliances and products from Saturday, February 18 until Monday, February 20, 2012 in Maryland.

During the 2007 special session, the Maryland General Assembly enacted legislation providing for two annual

tax-free periods, one in August on clothing and footwear and another in February on Energy Star products.

Until the legislature revisits the issue, Shop Maryland Energy weekend will occur in perpetuity from the Saturday immediately preceding the third Monday in February until the third Monday of February.

# Some Things to Know with the New Tax Season

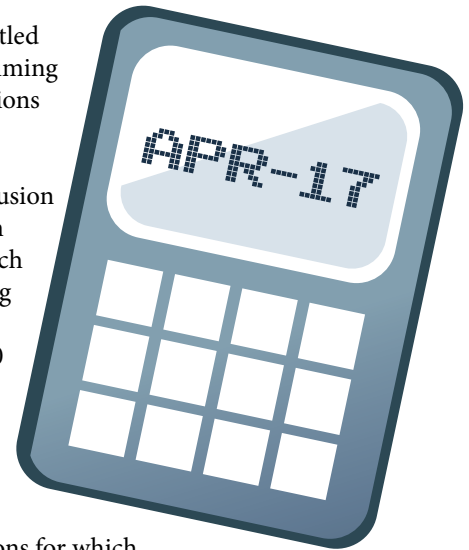
**W**ith efficiency and conservation in mind, the Comptroller's Office has implemented new procedures, as well as enhanced and streamlined old ones in order to produce a safer, faster and cheaper tax filing system for the more than 3.5 million Maryland taxpayers it serves.

Some of the benefits and changes for this tax season are as follows:

- Filing Deadline - Due to the celebration of Emancipation Day in the District of Columbia on April 16, personal income tax returns are due by **April 17**.
- Electronic filing mandate for tax preparers - Paid tax professionals who prepared 100 or more qualified state income tax returns for tax year 2010 (filed in 2011) are required to e-file all original individual income tax returns electronically for tax year 2011 (filed in 2012). Each electronically filed return saves the state nearly \$2 in processing costs.
- Tax Booklets - Tax booklets will not be mailed in 2013. Next year, taxpayers may file electronically or print the tax booklet and forms from the agency's Website or contact the nearest branch office for assistance. This change will save the state nearly \$250,000.
- Libraries and Post Offices - The Comptroller's Office will no longer supply area post offices and libraries with tax booklets. Each library will receive a CD of all of our forms if requested.
- Splitting a direct deposit - Taxpayers can now have a tax refund deposited into multiple bank accounts by using Form 588.
- Earned Income Credit Notification - In an effort to ensure all eligible Marylanders claim the credit, starting in 2012 the Comptroller must publish the maximum income eligibility for the State Earned Income Credit, (EIC) on or before January 1 of each year. The Comptroller will also notify the employers of such information, and the employers must notify each employee who may be eligible.
- New Dependent Form 502B - Form 502B will be a required form to be attached to Form 502 to determine what

exemption you are entitled to claim. Taxpayers claiming more than two exemptions must use Form 502.

- Increased pension exclusion - Maryland's maximum pension exclusion, which is available to qualifying taxpayers 65 or older, increased from \$26,100 to \$26,300 for tax year 2011.
- Nonresident Form 505SU - This year, other certain subtractions for which taxpayers may qualify will be reported on Form 505SU. If multiple subtractions apply, taxpayers should be sure to indicate all of them on Form 505SU and attach it to the Form 505.
- Form 502SU - This year, other certain subtractions for which taxpayers may qualify will be reported on Form 502SU. If multiple subtractions apply, taxpayers should be sure to indicate all of them on Form 502SU and attach it to the Form 502.
- Electronic 1099-G - This year, at the bottom of the return in the signature area, the agency has provided a checkbox for taxpayers to indicate that a statement of refund can be sent electronically. Electronic Form 1099-G may be downloaded and printed from our secure Website. Taxpayers can also request to receive a paper 1099-G at this Website.
- Local Tax Rate Increase - For tax year 2012, Anne Arundel County has decreased their local tax rate to 2.49% and Queen Anne's County has increased their local tax rate to 3.20%. Please note the change on the Form 502D.



For more information, please contact the Comptroller's taxpayer services unit at 410-260-7980 or 1-800-MD-TAXES. Also, visit the Website at <http://individuals.marylandtaxes.com/incometax/taxseason.asp>

# 10,000 and Counting

## Comptroller Franchot Collects Signatures in Support of Financial Literacy

In late September, Comptroller Peter Franchot launched a statewide petition drive in support of financial literacy with a goal to collect 10,000 signatures. By January, he surpassed his goal and to date, a coalition of grassroots volunteers have gathered more than 10,000 signatures for his financial literacy education program. The initiative calls for all Maryland students to take a stand alone course in personal finance before graduating from high school. Currently, only six counties in the state require financial literacy education for all students.

The Comptroller will deliver these signatures to the Maryland General Assembly in the next few weeks. Volunteers collected signatures at community events, at area supermarkets, in classrooms and board rooms, in business meetings and online to reach the 10,000 person goal.

As Chief Fiscal Officer for the state of Maryland, Comptroller Franchot recognizes that Maryland's youth are unprepared and ill-equipped to handle the complex financial world. Based on his findings, requiring comprehensive financial education is the only way to ensure the state fares better in the next economic crisis and pulls out of the current recession. The Comptroller has said continuously, "we must arm our young people with the tools to succeed."

Business and community leaders around the state supported the Comptroller's initiative and helped gather signatures. While, he has surpassed his goal, the Comptroller will continue to collect signatures online at [www.marylandtaxes.com](http://www.marylandtaxes.com) until the issue is heard in both chambers of the Maryland General Assembly.

Taxpayers who e-file their taxes by April 18 have until April 30 to make any payments using direct debit or credit card. Maryland taxpayers can pay via debit card at <http://individuals.marylandtaxes.com/payment/directdebit.asp> or credit card at <http://individuals.marylandtaxes.com/payment/creditcard.asp>.

## No Cash at Branch Offices

As of February 1, nearly all of the Comptroller's branch offices will no longer accept cash payments from taxpayers.

Citing safety concerns, Comptroller Franchot says, "The volume of business at our branch offices has grown, and with it, an increase in the amount of cash to be deposited each night. Asking employees to transport large sums of cash on a daily basis puts them at risk. By no longer accepting cash, it helps to ensure the safety of the branch office employees as well as taxpayers."

Taxpayers often use the agency's branch offices to pay fees for licenses, tax liabilities and other related items. Now, 11 of the branch offices will only accept payments by certified check, cashier's check, teller's check or money order. The

only branch office that will continue to accept cash payments is the Baltimore location. Taxpayers can also pay existing tax liabilities online at <https://interactive.marylandtaxes.com/Individuals/Payment>.

For a list of branch offices please visit <http://individuals.marylandtaxes.com/taxhelp/localoffices.asp>.

Use your smartphone to visit us online!



# 'MD Energy' continued from Page 1

During Shop Maryland ENERGY, the following qualifying Energy Star products are exempt from Maryland's six percent sales tax.

- Air conditioners
- Clothes washers
- Furnaces
- Heat pumps
- Boilers
- Solar water heaters (tax-exempt at all times now)
- Refrigerators
- Dehumidifiers
- Programmable thermostats
- Compact fluorescent light bulbs

For more information about Shop Maryland ENERGY weekend, please visit our website at <http://www.marylandtaxes.com/shopmd/default.asp>.



Revenews is a quarterly publication of the Comptroller of Maryland, printed in Annapolis, MD.

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