

# Welcome!

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**Small Biz Resource**



**C O N N E C T I O N S**

Resource Partner:

**Maryland Comptrollers Office**

**Topic: Small Business Resources**



April 5, 2024

# **Governor's Office of Small, Minority & Women Business Affairs**

- **Connect small, minority, women & veteran-owned businesses to greater economic opportunities**
- **Host online resources for small business growth and development**
- **Oversight, monitoring, and compliance of three state socioeconomic procurement programs across 70 state agencies/departments**
- **Conduct statewide outreach and training programs**

<https://gomdsmallbiz.maryland.gov>

# Maryland Socioeconomic Procurement Programs

[www.goMDsmallbiz.maryland.gov](http://www.goMDsmallbiz.maryland.gov)

## Small Business Reserve (SBR) Program

- Prime contracting program
- Based on size. State-defined small business eligibility standards apply
- Online certification process (eMMA)

## Minority Business Enterprise (MBE) Program

- Subcontracting program
- Race and gender specific
- Application-based certification process at OMBE under MDOT

## Veteran-Owned Small Business Enterprise (VSBE) Program

- Subcontracting program
- Based on verified Veteran status & size
- Online certification (eMMA) with a 3 Step Process

*MBEs and VSBEs are encouraged to perform as a prime contractor.*

# Today's Coordinating Team



## **Alison Tavik**

Director of Communications  
& Outreach

## **Tanita Johnson**

SBR Compliance Manager

## **Eduardo D. Hayden**

Small Business Outreach Manager

# Meet Our Guest Speakers



COMPTROLLER  
*of* MARYLAND  
*Serving the People*

## Ana M. Garay

Deputy Director  
Branch Operations  
Taxpayer Services Division

## Laura Gutierrez

Director of Small Business  
& Community Engagement





**Comptroller of Maryland**

**Small Biz Resource  
Connection  
T.I.P.S. Webinar**

**04.05.2024**

# Vision

To work in partnership to create a state that is more equitable, more resilient, and more prosperous so that every Marylander can reach their full potential.

## About the Comptroller of Maryland:

The Comptroller is one of three independently elected statewide officials in Maryland.

The Comptroller of Maryland is the elected Chief Financial Officer for the state, as well as the revenue administrator and tax law enforcement agency, general accountant for all state agencies and universities, and regulator of the state's motor fuel industries. Additionally, the Comptroller serves on various state boards and commissions, including the Board of Public Works and the Maryland State Retirement and Pension System.

# Priorities

## Implement critical agency-wide improvements to help our state government work better

- Right-size the agency, including reorganizing the leadership structure, to provide greater accountability, internal oversight, and success.
- Invest in our workforce – from increasing positions, salaries, and training opportunities to improving the physical work environment – to ensure that we can recruit and retain high-performing and dedicated team members who feel valued and supported while also being positively challenged to do this important work
- Modernize technology across the agency so that all Maryland residents and businesses, as well as state agencies, can interact more efficiently with the Office of the Comptroller and access our services, data and other resources with ease
- Foster a culture of belonging throughout the Office by embedding our core principles of inclusion, diversity, equity, and accessibility in decision-making, policies and practice



# Priorities

Ensure that resources and expertise of the Office create opportunity for and make positive impact on Maryland families, communities and businesses

- Use technology to increase transparency around state spending and the state procurement process, including payments to state vendors and contractors
- Ensure that the Office is using data to drive decision-making, and use the data generated or accessible by the agency to create reports that inform policy decisions both internal and external to the Office of the Comptroller
- Engage in robust public engagement to better connect families, communities, local governments, and businesses across Maryland with the agency for assistance with services, including: filing taxes, accessible tax credits, obtaining legal guidance, setting up payment plans, and more, while also ensuring that the Office continues to develop new resources as needed by the public.
- Responsibly steward our tax dollars through improved oversight, data transparency, and targeted outreach and engagement to increase state procurement with our minority business enterprises and small businesses.

# Priorities

**Ensure Maryland is well-positioned for responsible long term economic growth and success.**

- Modernize and simplify Maryland's tax collection process
- Enhance equity in tax administration by analyzing data on audits and uptake of various tax credits (among other factors) by various populations
- Work to close the wealth gap and invest in disadvantaged communities through targeted procurement programs, efforts to diversify asset managers within the pension system, expanded free tax preparation services, and more
- Evaluate climate impact and sustainability of state spending and investment
- Support the development of responsible and equitable investment policies and practices
- Analyze the well-being of Maryland's economy and revenue structure on a regular basis and clearly communicate economic and fiscal trends to audiences across the state

# Compass: Modernization Overhaul



## Vision

To create a *user-friendly system* that provides a *single-view of the taxpayer* in order to deliver better customer service to the taxpayers of Maryland.

## Mission

*The mission of the Compass Division is to be instrumental in the innovation of the Comptroller's Office by being leaders in the Agency's organizational transformation. They will drive modernization and change, improve business processes, and deliver superior services to the COM and to the taxpayers of Maryland.*

# Current systems are in older technology / mainframe

Current System (Sample screen)

```
USER ID  JTA          MOTOR FUEL TAX BUREAU      DATE  11/28/22
PETROLEUM TRANSPORTER MAINTENANCE  TASK  A

_____  
_____  
_____  
_____  
FED NO  _____  USDOT  _____  
REPORT REQUIRED  _____  STATUS  _____  
EFF. DATE  _____  RENEWAL DATE  _____  
STATUS DATE  _____  
# VEHS      # VESSELS      # RR CARS  
_____  
_____  
_____  
LAST UPDATE  _____  
PLEASE USE RPE TO ADD
```

# Project history...

2017

## Project foundation

- Project analysis
- BSGI selected for Project Management Services

**BSGI!**  
Business Solutions Group

2018

## Procurement Started

- RFP Released
- Change Ambassadors program started with 80+ Employees

2019

## Vendor Selected

- RSI selected as implementation partner

**rsi**

2020

## Release 1A

- Alcohol Tax goes live

2021

## Release 1B

- Corporate Tax goes live

2022

## PM Partner

- Serigor selected as Project Management and IT services partner
- BSGI Selected for change management

**serigor**

2024+

## Release 2, & 3

- Multiple Tax Types (Over 19 tax types)
- Cannabis
- Self Service Portal
- Workpaper Toolkit
- MeF

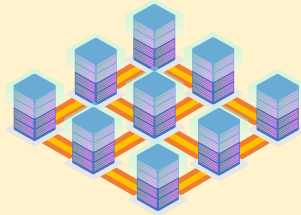


# What it will be able to do?

- ✓ **Modernize current systems** that are difficult to maintain and update
- ✓ **Enable efficient tax processing and collection** necessary to support the Agency's Strategic Goals
- ✓ **Provide public services** that achieve the high level of customer satisfaction
- ✓ **Enhance business processes** using modern technology and improved infrastructure
- ✓ **Vigorously enforce tax laws** for protection and fair treatment of all taxpayers
- ✓ **Adopt legislative changes rapidly** which are difficult in the current set of systems
- ✓ **Provide an online portal** that enables taxpayers to view their tax and liability information, set up electronic payments, and self-serve
- ✓ **Maximize security and compliance** with easier and faster adoption of Security standards
- ✓ **Enhanced decision analytics** and reporting capabilities

# Data in Data Warehouse (DW)

RPE data will maximize the use of COM data for Bureau of Revenue Estimates (BRE) purposes



## Data Warehouse

Reporting

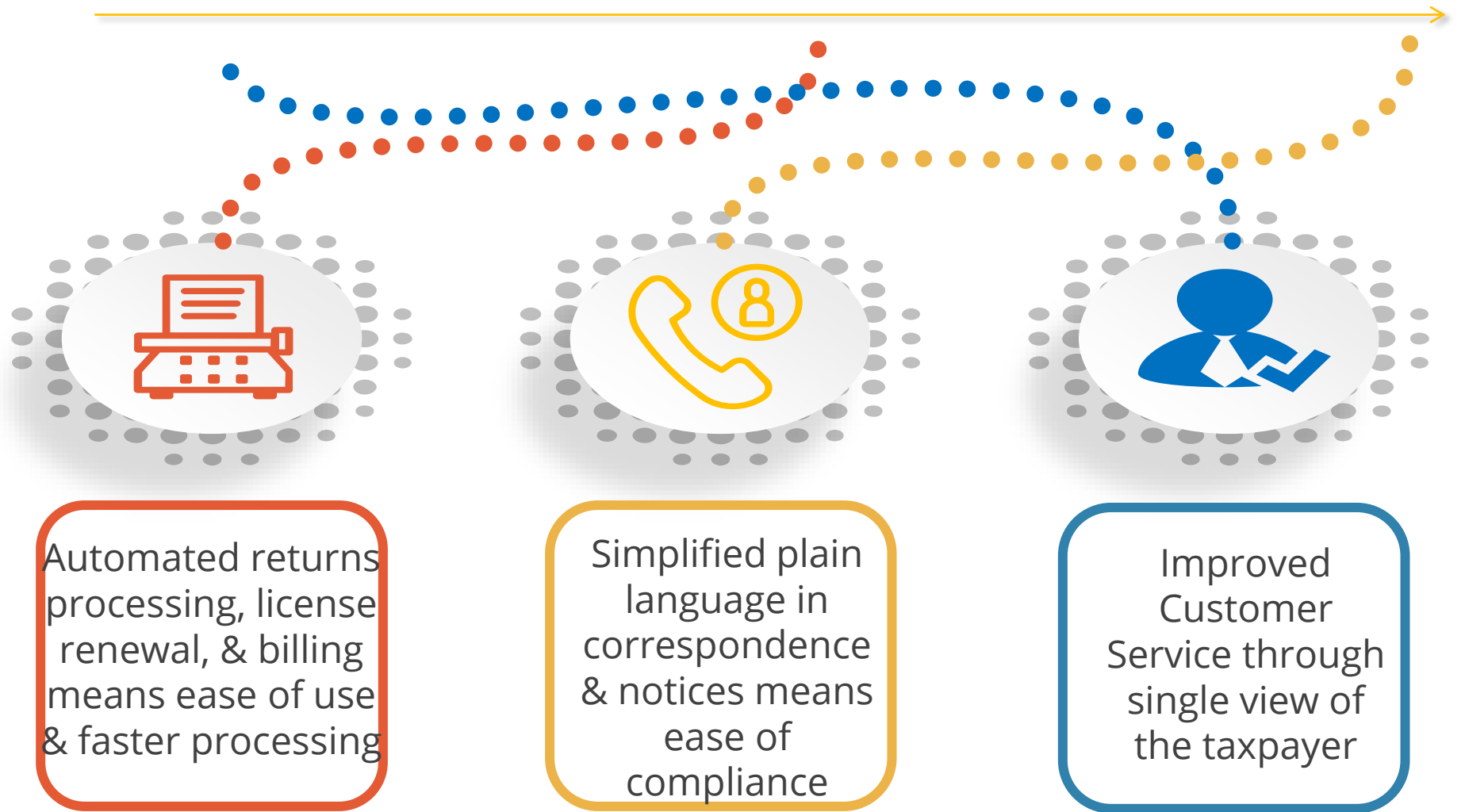
Forecasting

Analytics

Fraud Detection

- Forecasting State revenues
- Monitoring and explaining revenue performance
- Estimate the impact of State and Federal legislation on State revenues
- Provides statistical reports on State revenues, reports on tax/revenue issues required of the COM by the General Assembly
- Fraud Detection and Fraud Modeling used for refund processing
- Tax year information for various tax types
- Use results of data analytics to influence tax processing (e.g. audit selection)

# Benefits





# Benefits to Taxpayers

- Entity Registration
- Licensing and Inventory Management
- Returns and Payments Processing
- Taxpayer Accounting
- Refund Processing
- Billing and Collection
- Revenue Accounting
- Case Management
- Correspondence
- Content Management
- Reporting
- Application Administration
- Unclaimed Property
- Online Services / Portal
- Customer Relationship Management
- Data Warehouse Integration
- Interfaces with external partners



End to end tax processing and tax administration

# Maryland Tax Connect

- February 6<sup>th</sup> marked the launch of our new Maryland Tax Connect Portal
- New public facing self-service portal that allows Marylanders to file their taxes online with increased ease and security, enabling taxpayers to interact with the Comptroller's office more efficiently.
- [Marylandtaxes.gov/MDTaxConnect](https://marylandtaxes.gov/MDTaxConnect)
- Questions: [mdtaxconnecthelp@marylandtaxes.gov](mailto:mdtaxconnecthelp@marylandtaxes.gov)

## Statistics:

Maryland Tax Connect launched on February 6, 2024. Below are some key statistics so far.

PIN letters generated – 703,625

Maryland Tax Connect Sign ups – 137,000 users

Business tax returns filed – 183,000

Business tax payments received – 80,000

## Non-Registered - Key Features or Guest Options

- Register a Business in Maryland with CRA Wizard
- Maryland SUTEC application Wizard
- Guest File options available for filing SUT, Withholding and A&A returns. What is needed to file as a guest?
  - ✓ Business FEIN, Business Name and Account type.
- Guest Pay options are available for paying existing liabilities. What is needed to pay as a guest?
  - ✓ Business FEIN or CRN and Billing Reference Number.

## Registered User - Key Features

- Taxpayers are encouraged to register as a Maryland Tax Connect User once they have received a PIN letter.
  - ✓ Add Authorized Users.
  - ✓ View account summary, filing history and balances.
  - ✓ Files business tax forms.
  - ✓ Make payments on account balances and existing liabilities.
  - ✓ View correspondence (Last 12 months).
  - ✓ Renew Motor Fuel, Slot Machine License and SUT exemption certificates.
  - ✓ Submit a Service Request (upload documentation or request general information).

# Registration Types:

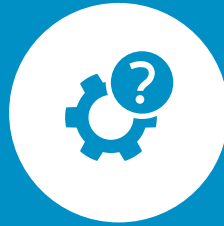
Who can register for a Maryland Tax Connect account?

1. **Business Administrators** – Business owners or anyone responsible for overseeing the business operations and/or finances. These users are required to enter their FEIN and a unique PIN generate out of RPE. PINs are mailed to business taxpayers.
2. **Authorized Users** – A third party responsible for handling the businesses tax matters (CPA, Attorney, Consultant, etc.) The third party is required to provide their User ID and registration confirmation number to the business administrator. The business administrator will then grant access.
3. **Government Agencies** – Government parties can complete compliance checks for businesses. Before the government user can access Maryland Tax Connect, this requires approval from the internal team responsible for handling compliance check.
4. **Bulk Transmitters** – Vendors who file bulk Withholding and Sales and Use tax filings. This will also be used for W2/1099 bulk submissions in January 2025.

# What's Happening Now

## R2-Business Taxes

Target Q1 2024



- Sales & Use Tax
- Tobacco Tax
- Motor Fuel
- Withholding
- Admissions & Amusement Tax
- Boxing and Wrestling
- Tire Fee
- Transportation Network Fee
- Bay Restoration Fee
- Cannabis

## R2-Business Portal

Target Q1 2024



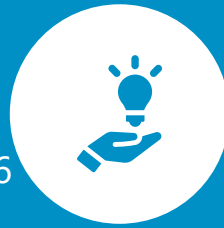
- Securely file returns, reports, schedules and Pay electronically
- View historically filed returns and payments
- Obtain permits and renew licenses
- Account Management
- Change address
- View account balances
- Download electronic copies of correspondence
- Submit service requests to inquire about a tax matter
- Delegate access to authorized parties to manage designated tax functions on your behalf

# What's Next

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## R3-PIT

Target 2025 - 2026



- Personal Income Tax (PIT)
- Pass-Through Entity (PTE)
- Fiduciary Tax
- Estate Tax
- Unclaimed Property
- International Fuel Tax Agreement (IFTA)

# Key Bridge Collapse Support:

- All business tax filing penalty and interests will be waived through May 31<sup>st</sup>, 2024.
- IFTA Waivers - Decal Requirements Waived Temporarily for Trucks Transporting Freight to and from the Port of Baltimore. IFTA licensees must file on or before June 30, 2024 to be granted this relief.





# Small Business Support

# Small Business Priorities:

- Actively exploring new ways to enhance support and resources for the business community.
- Developing materials in partnership with other state agencies that provide resources and information for business in a streamlined manner.
- Collaborating across agencies to update all of the tax credits and incentives available for small businesses across Maryland.
- Meeting MBE, SBR, and VSBE Goals in Procurement.
- Reviewing and analyzing internal and external data and reports to better understand to better serve the business community
- Business Call Center
- Reverse Business Call Center (Maryland Tax Connect)

# Resources

- Additional information, FAQs, step by step guides and tutorials will be available at [www.marylandtaxes.gov/mdtaxconnect](http://www.marylandtaxes.gov/mdtaxconnect)
- Access Maryland Tax Connect homepage at [www.mdtaxconnect.gov](http://www.mdtaxconnect.gov)
- [Reverse Call Center](#)

# Portal Navigation Webinars



*Frequently Asked Questions Webinar Series*

## **Weekly Maryland Tax Connect Portal Webinars for Business Taxpayers!**

Throughout March and April, join one of our bi-weekly, expert-led webinars, designed to guide Maryland Business Taxpayers through the Maryland Tax Connect Portal's key features.

During these sessions, we'll provide practical tips, and have live Q&A sessions to address your concerns promptly.



**RSVP today!**  
**Spaces are limited.**  
**Scan this or visit,**  
**[bit.ly/MTCRSVP24](https://bit.ly/MTCRSVP24)**

For immediate assistance, check our updated Frequently Asked Questions at [marylandtaxes.gov/mdtaxconnect](https://marylandtaxes.gov/mdtaxconnect)



# Tax Incentives and Credits

# Business Tax Credits:

- Tax credits are an amount that taxpayers can claim on tax returns to reduce the amount of tax they owe.
- There are a range of tax credits available for individuals and businesses, and all are processed by the Office of the Comptroller.
- To qualify for some, you might need to receive pre-approval from the department or agency administers the credit.
- For tax years beginning after December 31, 2012, you must file your tax return electronically in order to claim a business tax credit unless you submit a waiver from the electronic filing requirement. To request a waiver from filing the Form 500CR electronically, you must submit a completed Form 500CRW Waiver Request For Electronic Filing of Form 500CR and it must be attached to Form 500CR in the filing of your return.

# Refundable vs. Nonrefundable tax credits:

Some tax credits are refundable. If a taxpayer's tax bill is less than the amount of a refundable credit, they can get the difference back in their refund. Some taxpayers who aren't required to file may still want to do so to claim refundable tax credits. Not all tax credits are refundable, however.

For nonrefundable tax credits, once a taxpayer's liability is zero, the taxpayer won't get any leftover amount back as a refund.

There are a wide range of tax credits, and the amount and types available can vary by tax year. Taxpayers should carefully review current tax credits when preparing their tax return.

Source: IRS



<u>Funding Program Name</u>	<u>Category</u>
Biotechnology Investment Incentive Tax Credit	Biotechnology
Brownfields Tax Incentive	Location-Based, General
Buy Maryland Cybersecurity (BMC) Tax Credit	Cybersecurity
Data Center Maryland Sales and Use Tax Exemption Incentive Program	Technology
Employer Security Clearances Costs (ESCC) Tax Credit	Cybersecurity
Enterprise Zone (EZ) Tax Credits	Location-Based, General
Film Production Tax Credit	Tourism, Film and the Arts
Hire Our Veterans Tax Credit	Veteran/Military
Innovation Investment Tax Credit	Agriculture, Technology, Startup, Research, Higher Education, Energy, Cybersecurity, Biotechnology
Job Creation Tax Credit	Job Creation, General
Maryland Commuter Tax Credit	General
Maryland Opportunity Zone Enhancement Credits (State Program)	Location-Based, General
Maryland Opportunity Zones (Federal Program)	Location-Based, General
More Jobs for Marylanders	Manufacturing, Job Creation
One Maryland Tax Credit	General
Regional Institution Strategic Enterprise (RISE) Zone Program	Location-Based, Job Creation
Research and Development Tax Credit	Research
Small Business Relief Tax Credit	Small Business
Theatrical Production Tax Credit	Tourism, Film and the Arts



# Claim Tax Credits through:

- Form 500
- Form 500CR (electronic filing)
- Form 500CRW (paper filing)
  
- Form 510/511
- Form 500CR
- Form MD K-1
  
- Form 502/505
- Form 502CR/500CR
- Form MD- K-1
  
- Some of these credits contain carryover or recapture provisions and, in some cases, you may have to seek certification from another state agency.
- Consult with a Tax Professional or refer to call us at 1-800-MDTAXES.

## Links shared during the webinar

Appointments:

<https://appointmentsmdtaxconnect.as.me/schedule.php>

Maryland tax connect webinars:

[bit.ly/MTCRSVP24](https://bit.ly/MTCRSVP24)

Access Maryland Tax Connect homepage at

[www.mdtaxconnect.gov](http://www.mdtaxconnect.gov)

For information regarding each of the tax credits, please refer to the agency's preferred point of contact:

Department of Commerce:

[taxincentives.commerce@maryland.gov](mailto:taxincentives.commerce@maryland.gov)

State Department of Assessment and Taxation:

[taxcredits@dat.state.md.us](mailto:taxcredits@dat.state.md.us)

Maryland Energy Administration:

[meinfo@energy.state.md.us](mailto:meinfo@energy.state.md.us)

Department of Housing and Community Development:

[citc@mdhousing.org](mailto:citc@mdhousing.org),

[citc.nr@mdhousing.org](mailto:citc.nr@mdhousing.org)

[endowmaryland.nr@maryland.gov](mailto:endowmaryland.nr@maryland.gov)



**Thank you!**

**Questions?**

**Laura Gutierrez**  
**Small Business and**  
**Community Development**  
**Director**

[lgutierrez@marylandtaxes.gov](mailto:lgutierrez@marylandtaxes.gov)

**Ana Garay**  
**Deputy Director of Taxpayer**  
**Services Division**  
[agaray@marylandtaxes.gov](mailto:agaray@marylandtaxes.gov)

# Mining Public Data Techniques



## Videos & Slide Decks

[eMaryland Marketplace Advantage \(eMMA\)](#)

[Procurement Forecast](#)

[Board of Public Works](#)

[Communicating with Confidence](#)

# KEEP LEARNING

- 2 free webinars every month
- No cost to attend
- Register in advance to receive the participation link
- Download the presenter's slide deck
- Access video recordings of all classes on our YouTube playlist

[goMDsmallbiz.maryland.gov](https://goMDsmallbiz.maryland.gov)

**T.I.P.S.**  
**SMALL BUSINESS**  
**WEBINAR SERIES**

TRAINING & INSIGHTS FOR  
PROCUREMENT SUCCESS

 2 WEBINARS MONTHLY


 9AM-12PM


 CLASSES LED BY SUBJECT  
MATTER EXPERTS

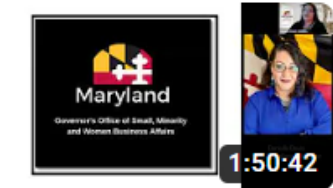
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**GOMDSMALLBIZ.MARYLAND.GOV**


 **Maryland**  
GOVERNOR'S OFFICE OF  
SMALL, MINORITY & WOMEN  
BUSINESS AFFAIRS  
[goMDsmallbiz.maryland.gov](https://goMDsmallbiz.maryland.gov)

# T.I.P.S. Webinar Series Playlist

- 

1 **Leveraging Your Certifications - December 14, 2023**  
StateMaryland • 40 views • 1 month ago  
1:52:26
- 

2 **Writing A Business Plan to Access Capital - December 12, 2023**  
StateMaryland • 15 views • 1 month ago  
2:04:48
- 

3 **VSBE Subcontracting Protocols - November 16, 2023**  
StateMaryland • 9 views • 1 month ago  
1:50:42
- 

4 **Strategic Planning for Business - November 14, 2023**  
StateMaryland • 6 views • 1 month ago  
1:43:00

<https://www.youtube.com/playlist?list=PLlgoHh4Po1J0W63akD6aGAU8JmT0qzOrX>

# Partners

Maryland APEX Accelerators  
<https://www.mdptac.org/>

Greater Baltimore SCORE  
<https://greaterbaltimore.score.org/>

Maryland Women's Business Center  
(MWBC)  
<https://marylandwbc.org/>

Baltimore-Metro Women's Business Center  
(Balt-Metro WBC)  
<https://www.baltmetrowbc.org/>

Maryland Small Business Development  
Center (SBDC)  
<https://www.marylandsbdc.org/>

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# Resources

Governor's Office of Small, Minority & Women Business  
Affairs  
<https://gomdsmallbiz.maryland.gov/Pages/default.aspx>

Maryland's Office of Minority Business Enterprise (OMBE)  
<https://www.mdot.maryland.gov/tso/pages/Index.aspx?PagelD=90>

Maryland Department of Commerce  
Maryland Financial Incentives for Business  
<https://commerce.knack.com/maryland-funding-incentives>

Maryland Entrepreneur HUB  
<https://marylandentrepreneurhub.com/>

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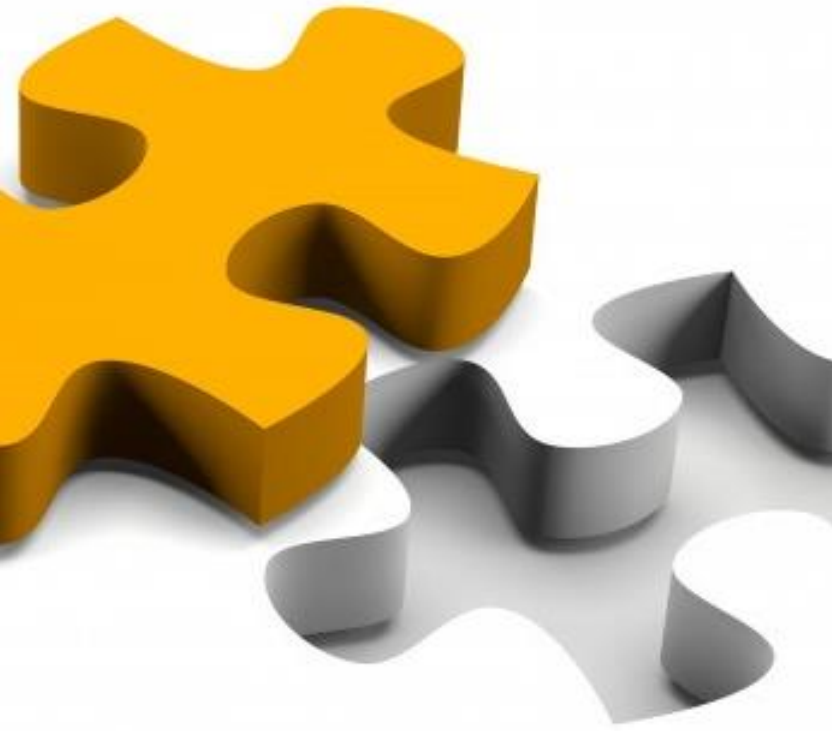


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For Choosing

# Maryland!



**Small Biz Resource**



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