



Peter Franchot
Comptroller

David Farkas
Acting Director
Bureau of Revenue Estimates

5/24/2022

Honorable Larry Hogan
Governor of Maryland
State House
Annapolis, Maryland 21401

Honorable William C. Ferguson IV
President, Maryland Senate
State House
Annapolis, Maryland 21401

Honorable Adrienne A. Jones
Speaker, Maryland House of Delegates
State House
Annapolis, Maryland 21401

Dear Governor, President, and Speaker:

Chapters 172 and 173 of the 2018 regular legislative session requires that the Comptroller's Office, in consultation with the Department of Natural Resources, to report certain information about the Venison Donation Credit. This report covers credits claimed for tax years (TY) 2018 through 2020. Specifically, the law requires that we report "on the effectiveness of the tax credit established under this Act, including the number of deer donated under the tax credit program and the total cost of the tax credit."

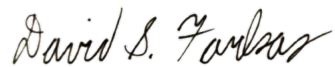
The below table provides data from the returns of tax filers who claimed the Venison Donation Credit. The number of deer donated in TY 2019 is listed as "bad data" because the figure reported from our database is clearly erroneous. The true figure is likely in the same ballpark as the TY 2020 figure.

Table 1
Summary of Venison Donation Credit Data

	<u>TY 2018</u>	<u>TY 2019</u>	<u>TY 2020</u>
Number of credits claimed	581	810	849
Number of deer donated	7,334	Bad Data	7,502
Dollar value of credits claimed	\$82,229	\$109,224	\$120,827

The question of effectiveness cannot be answered because we have no means of knowing which recipients would not have donated deer in the absence of the credit. Generalizing from available research on the effectiveness of tax credits, it is likely that only a minority of claimants were on the margin and thus incentivized by the credit to take an action they otherwise would not have taken.

Sincerely,

A handwritten signature in cursive script that reads "David S. Farkas".

David S. Farkas