



Peter Franchot
Comptroller

Andrew M. Schaufele
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Estimates*

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Honorable Edward J. Kasemeyer
Senate Budget and Taxation
Miller Senate Building
Annapolis, Maryland 21401

Honorable Sheila E. Hixson
House Ways and Means Committee
House Office Building
Annapolis, Maryland 21401

Dear Senator Kasemeyer and Delegate Hixson,

As required by Maryland Tax General § 13-940, the Comptroller's office must report to the House Ways and Means Committee and the Senate Budget and Taxation Committee regarding the *Warrant Intercept Program*.

Chapter 451 of the 2012 Legislative Session authorized an official of federal, State, or local government charged with serving a criminal arrest warrant to request that the Comptroller withhold an individual's income tax refund until the warrant (exclusive of a body attachment) has been satisfied. Several qualifiers were put in place to identify the scope of this program, including the general confinement of the program to Anne Arundel County as well as exclusions for active duty members of the Armed Forces and joint income tax filers. Since the initial legislation, the scope of this enforcement effort has expanded to include Baltimore City and Washington County for the 2015 cycle. The inclusion of Washington County is fully operational while the introduction of Baltimore City is a work in progress.

In order for the Comptroller to withhold a refund, the warrant official has to certify to the Comptroller's office the existence of the warrant and certain identifying information. The Comptroller's office must then notify the individual of the certification and its implications and, if applicable, withhold the individual's refund until a notice to release is issued from the warrant official.

It should be noted that a significant portion of the outstanding warrants cannot be linked to the tax system because of discrepancies between identifying information maintained by the organizations (principally social security numbers). As of November 1, 2015 refunds where warrants have been satisfied and refunds released number 1,107. Refunds from outstanding warrants being held currently total 351. The attached table contains data by jurisdiction and by cycle. Please let me know if you have any questions.

Sincerely,

Andrew M. Schaufele

cc: Len Foxwell
Sharonne Bonardi

Warrant Refund Intercept Program 2015 Program Year

	2013 Warrant List															
	Refunds Withheld		October 31, 2012 to November 1, 2013				October 31, 2013 to November 1, 2014				October 31, 2014 to November 1, 2015				Remaining Held	Total Refunds
			Released		Net Held		Released		Net Held		Released		Net Held			
#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	#	
Anne Arundel County	450	343,481	328	271,013	122	72,467	50	31,926	72	40,542	28	19,140	44	21,401	44	406

	2014 Warrant List															
	Refunds Withheld		October 31, 2013 to November 1, 2014				October 31, 2014 to November 1, 2015				October 31, 2015 to November 1, 2016				Remaining Held	Total Refunds
			Released		Net Held		Released		Net Held		Released		Net Held			
#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	#	
Anne Arundel County	392	286,809	261	206,804	131	80,005	58	45,149	73	34,857					73	319

	2015 Warrant List															
	Refunds Withheld		October 31, 2014 to November 1, 2015				October 31, 2015 to November 1, 2016				October 31, 2016 to November 1, 2017				Remaining Held	Total Refunds
			Released		Net Held		Released		Net Held		Released		Net Held			
#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	#	
Anne Arundel County	544	325,769	326	206,167	218	119,602								218	326	
Baltimore City	(D)	(D)	(D)	(D)	(D)	(D)								(D)	(D)	
Washington County	72	41,758	56	32,344	16	9,414								16	56	
Subtotal	616	367,527	382	238,511	234	129,016								234	382	

	Total															
	Refunds Withheld		Cycle 1				Cycle 2				Cycle 3				Remaining Held	Total Refunds
			Released		Net Held		Released		Net Held		Released		Net Held			
#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	#	
Total	1,458	997,817	971	716,328	487	281,489	108	77,074	145	75,398	28	19,140	44	21,401	351	1,107

Note: Data for Baltimore City is not reflected in this report, the quantity of taxpayers falls below our disclosure levels. To support the analysis we can say that the figures are *de minimis*