**Md. Code Regs. 03.04.14.03**

COMAR 03.04.14.03

**.03. Penalties.**

Currentness

A. Failure to File Required Reports.

(1) Subject to §A(3) of this regulation, if a corporate group fails to file the reports required under this chapter, the Comptroller shall assess the penalties set forth in this section.

(2) The penalties to be assessed are:

(a) Up to $5,000 per day for each of the first 30 days following the due date during which a report has not been filed; and

(b) Up to $10,000 per day for each day after the first 30 days that a report has not been filed.

**(3) The Comptroller may, for any reason, issue an order abating or decreasing the penalty established under this section.**

B. Failure to File Reports Accurately.

(1) If the Comptroller determines that a report filed under this chapter has not been filed accurately, the Comptroller shall provide written notice to the corporate group of the determination.

(2) The notice from the Comptroller shall identify the parts of the report determined to be inaccurate.

(3) The notice from the Comptroller shall inform the corporate group that it has 30 days from the date of the Comptroller's notice to file an accurate report.

(4) If following receipt of notice from the Comptroller of an inaccurate filing, the corporate group does not file an accurate report on or before the date specified in the Comptroller's notice, then the corporate group shall:

(a) Be deemed to have failed to file the required report; and

(b) Be subject to the penalties set forth in §A of this regulation.

(5) For purposes of assessing the penalties under §B of this regulation, the first violation will be deemed to have occurred on the first day following the due date for filing of an accurate report as specified in the notice from the Comptroller issued pursuant to §B(1) of this regulation.

C. All penalties assessed hereunder are collectible from all members of the corporate group.

D. All penalties assessed hereunder may be appealed by the corporate group by seeking revision with the Comptroller pursuant to Tax-General Article, §13-508, Annotated Code of Maryland.

E. All statutes and regulations applicable to the informal hearing procedures set forth in Tax-General Article, §13-508, Annotated Code of Maryland shall apply.

F. After the Comptroller's hearing officer issues a notice of final determination, the provisions of Maryland law regarding administrative and judicial review shall apply.

G. If no timely appeal is filed to the imposition of a penalty or if the taxpayer waives its right to an appeal of the imposition of a penalty, the Comptroller may issue an order abating or decreasing the penalty assessed to correct an erroneous assessment as contemplated in Tax-General Article, §13-509, Annotated Code of Maryland.

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