

News Release

Comptroller Franchot Issues Statement on Digital Ad Tax Ruling

ANNAPOLIS, Md. (October 20, 2022) - Today, Comptroller Peter Franchot issued the following statement regarding the ruling earlier this week by an Anne Arundel County Circuit Court judge declaring the Digital Advertisement Gross Revenues tax law unconstitutional:

“As was the case when this legislation was being deliberated in the General Assembly, I remain concerned about the constitutionality of this first-in-the-nation law to impose a tax on digital advertisement.

“As Comptroller and the state’s chief fiscal officer, I firmly believe that instead of continuing to expend public resources to defend a law that was constitutionally questionable at the time of enactment, the incoming governor and the incoming legislature should instead be given the opportunity to revisit this law.

“While the enactment of this law was well-intentioned, with revenue dedicated to funding the Blueprint for Maryland’s Future, its constitutionality – coupled with the tax’s residual impact on small businesses that utilize digital advertising services – continue to give me pause on the prudence of this law.”

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