

# HOUSE BILL 1067

Q7

4lr3091

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By: **Delegate Feldmark**

Introduced and read first time: February 7, 2024

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Digital Advertising Gross Revenues Tax – Assessments – Appeals and**  
3 **Corrections**

4 FOR the purpose of establishing a certain appeal process for persons who are subject to the  
5 digital advertising gross revenues tax and receive a notice of assessment from the  
6 Comptroller; authorizing the Comptroller or the Comptroller’s designee to issue an  
7 order to correct an erroneous assessment of the digital advertising gross revenues  
8 tax, subject to certain conditions; and generally relating to the digital advertising  
9 gross revenues tax.

10 BY repealing and reenacting, without amendments,  
11 Article – Tax – General  
12 Section 13–402(a)(6)  
13 Annotated Code of Maryland  
14 (2022 Replacement Volume and 2023 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Tax – General  
17 Section 13–508 and 13–509  
18 Annotated Code of Maryland  
19 (2022 Replacement Volume and 2023 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
21 That the Laws of Maryland read as follows:

22 **Article – Tax – General**

23 13–402.

24 (a) If a notice and demand for a return is made under § 13–303 of this title and  
25 the person or governmental unit fails to file the return, the tax collector shall:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (6) for digital advertising gross revenues tax:

2 (i) estimate gross revenues from the best information in possession  
3 of the tax collector; and

4 (ii) assess the tax due on the estimated assessable base.

5 13-508.

6 (a) Within 30 days after the date on which a notice of assessment of the  
7 admissions and amusement tax, alcoholic beverage tax, boxing and wrestling tax, **DIGITAL**  
8 **ADVERTISING GROSS REVENUES TAX**, income tax, motor carrier tax, motor fuel tax,  
9 public service company franchise tax, financial institution franchise tax, sales and use tax,  
10 or tobacco tax is mailed, a person or governmental unit against which the assessment is  
11 made may submit to the tax collector:

12 (1) an application for revision of the assessment; or

13 (2) except for the public service company franchise tax, if the assessment  
14 is paid, a claim for refund.

15 (b) If a person or governmental unit fails to submit an application for revision or  
16 claim for refund within the time allowed in subsection (a) of this section, the assessment  
17 becomes final.

18 (c) The Comptroller or an employee of the Comptroller's office expressly  
19 designated by the Comptroller promptly:

20 (1) (i) shall hold an informal hearing on a person's or governmental  
21 unit's admissions and amusement tax, alcoholic beverage tax, boxing and wrestling tax,  
22 **DIGITAL ADVERTISING GROSS REVENUES TAX**, income tax, motor carrier tax, motor fuel  
23 tax, sales and use tax, or tobacco tax application for revision or claim for refund under  
24 subsection (a) of this section; and

25 (ii) after the hearing:

26 1. shall act on the application for revision; and

27 2. may assess any additional tax, penalty, and interest due;  
28 and

29 (2) shall mail to the person or governmental unit a notice of final  
30 determination.

31 (d) The Department promptly:

1 (1) (i) shall act on a person's public service company franchise tax or  
2 financial institution franchise tax application for revision under subsection (a) of this  
3 section; or

4 (ii) 1. shall hold an informal hearing after giving reasonable  
5 notice to the person; and

6 2. after the hearing:

7 A. shall act on the application for revision; and

8 B. may assess any additional tax, penalty, and interest due;  
9 and

10 (2) shall mail to the person a notice of final determination.

11 13-509.

12 (a) Notwithstanding a person's failure to file a timely application for revision or  
13 claim for refund of an assessment of the admissions and amusement tax, alcoholic beverage  
14 tax, boxing and wrestling tax, **DIGITAL ADVERTISING GROSS REVENUES TAX**, income  
15 tax, motor carrier tax, motor fuel tax, sales and use tax, or tobacco tax under § 13-508(a)  
16 of this subtitle, the Comptroller or the Comptroller's designee may issue an order  
17 decreasing or abating an assessment to correct an erroneous assessment.

18 (b) If action is taken under subsection (a) of this section, the order shall state  
19 clearly the reasons for decreasing or abating the assessment.

20 (c) Any order issued by the Comptroller under subsection (a) of this section shall  
21 be final and not subject to appeal.

22 (d) The Comptroller's refusal to enter an order under subsection (a) of this section  
23 shall be final and not subject to appeal.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
25 1, 2024, and shall be applicable to assessments of the digital advertising gross revenues tax  
26 made after June 30, 2024.