

HOUSE BILL 1089

Q7, C2

5lr2196
CF SB 904

By: **Delegate Solomon**

Introduced and read first time: February 5, 2025

Assigned to: Economic Matters and Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Data Brokers – Registry and Gross Income Tax**
3 **(Building Information Guardrails Data Act of 2025)**

4 FOR the purpose of establishing the Privacy Protection and Enforcement Unit within the
5 Division of Consumer Protection in the Office of the Attorney General; establishing
6 a data broker registry; requiring certain data brokers to register each year with the
7 Comptroller; imposing a tax on the gross income of certain data brokers; and
8 generally relating to data brokers.

9 BY renumbering

10 Article – Tax – General
11 Section 2–4A–01 and 2–4A–02 and the subtitle “Subtitle 4A. Digital Advertising
12 Gross Revenues Tax Revenue Distribution”
13 to be Section 2–4B–01 and 2–4B–02, respectively, and the subtitle “Subtitle 4B.
14 Digital Advertising Gross Revenues Tax Revenue Distribution”
15 Annotated Code of Maryland
16 (2022 Replacement Volume and 2024 Supplement)

17 BY repealing and reenacting, without amendments,

18 Article – Commercial Law
19 Section 13–101(a) and (e)
20 Annotated Code of Maryland
21 (2013 Replacement Volume and 2024 Supplement)

22 BY adding to

23 Article – Commercial Law
24 Section 13–204.1
25 Annotated Code of Maryland
26 (2013 Replacement Volume and 2024 Supplement)

27 BY repealing and reenacting, without amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 Article – Education
2 Section 7–447.1(p)(2)
3 Annotated Code of Maryland
4 (2022 Replacement Volume and 2024 Supplement)
- 5 BY repealing and reenacting, with amendments,
6 Article – Education
7 Section 7–447.1(p)(6)
8 Annotated Code of Maryland
9 (2022 Replacement Volume and 2024 Supplement)
- 10 BY adding to
11 Article – Education
12 Section 24–204(e)
13 Annotated Code of Maryland
14 (2022 Replacement Volume and 2024 Supplement)
- 15 BY repealing and reenacting, without amendments,
16 Article – State Finance and Procurement
17 Section 3.5–309(a)
18 Annotated Code of Maryland
19 (2021 Replacement Volume and 2024 Supplement)
- 20 BY repealing and reenacting, with amendments,
21 Article – State Finance and Procurement
22 Section 3.5–309(e)
23 Annotated Code of Maryland
24 (2021 Replacement Volume and 2024 Supplement)
- 25 BY repealing and reenacting, without amendments,
26 Article – Tax – General
27 Section 1–101(a) and 13–508(b)
28 Annotated Code of Maryland
29 (2022 Replacement Volume and 2024 Supplement)
- 30 BY adding to
31 Article – Tax – General
32 Section 1–101(f–1); 2–4A–01 and 2–4A–02 to be under the new subtitle “Subtitle 4A.
33 Data Broker Gross Income Tax Revenue Distribution”; 7.3–101 through
34 7.3–501 to be under the new title “Title 7.3. Data Broker Registry and Gross
35 Income Tax”; and 13–402(a)(7) and 13–1001(h)
36 Annotated Code of Maryland
37 (2022 Replacement Volume and 2024 Supplement)
- 38 BY repealing and reenacting, with amendments,
39 Article – Tax – General

1 Section 2–102(a), 13–201(4), 13–402(a)(5) and (6), 13–508(a) and (c), 13–509,
2 13–1002(b) and (c), and 13–1101(b) and (c)
3 Annotated Code of Maryland
4 (2022 Replacement Volume and 2024 Supplement)

5 BY repealing and reenacting, with amendments,
6 Article – Commercial Law
7 Section 13–204.1(c)(1)
8 Annotated Code of Maryland
9 (2013 Replacement Volume and 2024 Supplement)
10 (As enacted by Section 2 of this Act)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
12 That Section(s) 2–4A–01 and 2–4A–02 and the subtitle “Subtitle 4A. Digital Advertising
13 Gross Revenues Tax Revenue Distribution” of Article – Tax – General of the Annotated
14 Code of Maryland be renumbered to be Section(s) 2–4B–01 and 2–4B–02, respectively, and
15 the subtitle “Subtitle 4B. Digital Advertising Gross Revenues Tax Revenue Distribution”.

16 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
17 as follows:

18 **Article – Commercial Law**

19 13–101.

20 (a) In this title the following words have the meanings indicated.

21 (e) “Division” means the Division of Consumer Protection of the Office of the
22 Attorney General.

23 **13–204.1.**

24 (A) **THERE IS A PRIVACY PROTECTION AND ENFORCEMENT UNIT IN THE**
25 **DIVISION.**

26 (B) **THE PURPOSE OF THE UNIT IS TO PROTECT THE PRIVACY AND ONLINE**
27 **SECURITY OF INDIVIDUALS’ PERSONAL INFORMATION AND THE INDIVIDUALS’**
28 **DIGITAL RIGHTS AND TO PROTECT THE PUBLIC FROM UNFAIR, ABUSIVE, OR**
29 **DECEPTIVE PRACTICES INVOLVING ARTIFICIAL INTELLIGENCE, CYBERSECURITY,**
30 **AND OTHER ONLINE OR DIGITAL PRIVACY ISSUES.**

31 (C) **THE UNIT SHALL:**

32 (1) **ENFORCE:**

1 **2-4A-01.**

2 FROM THE DATA BROKER GROSS INCOME TAX REVENUE, THE COMPTROLLER
3 SHALL DISTRIBUTE THE AMOUNT NECESSARY TO ADMINISTER THE DATA BROKER
4 GROSS INCOME TAX LAWS TO AN ADMINISTRATIVE COST ACCOUNT.

5 **2-4A-02.**

6 (A) AFTER MAKING THE DISTRIBUTION UNDER § 2-4A-01 OF THIS
7 SUBTITLE, OF THE REMAINING DATA BROKER GROSS INCOME TAX REVENUE THE
8 COMPTROLLER SHALL DISTRIBUTE:

9 (1) THE GREATER OF 0.75% OR \$2,500,000 TO THE SPECIAL FUND
10 ESTABLISHED UNDER § 13-204.1 OF THE COMMERCIAL LAW ARTICLE FOR THE USE
11 OF THE PRIVACY PROTECTION AND ENFORCEMENT UNIT IN THE DIVISION OF
12 CONSUMER PROTECTION OF THE OFFICE OF THE ATTORNEY GENERAL;

13 (2) THE GREATER OF 0.75% OR \$2,500,000 TO THE INFORMATION
14 TECHNOLOGY INVESTMENT FUND ESTABLISHED UNDER § 3.5-309 OF THE STATE
15 FINANCE AND PROCUREMENT ARTICLE FOR EXPEDITED PROJECTS RELATED TO
16 ARTIFICIAL INTELLIGENCE;

17 (3) THE GREATER OF 0.75% OR \$2,500,000 TO THE SPECIAL FUND
18 ESTABLISHED UNDER § 24-204 OF THE EDUCATION ARTICLE FOR THE USE OF
19 MARYLAND PUBLIC TELEVISION TO PROVIDE DIGITAL LITERACY SUPPORT TO
20 STUDENTS IN KINDERGARTEN THROUGH 12TH GRADE; AND

21 (4) THE GREATER OF 35% OR \$120,000,000 TO THE COORDINATED
22 COMMUNITY SUPPORTS PARTNERSHIP FUND ESTABLISHED UNDER § 7-447.1 OF
23 THE EDUCATION ARTICLE.

24 (B) AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER § 2-4A-01 OF
25 THIS SUBTITLE AND SUBSECTION (A) OF THIS SECTION, THE COMPTROLLER SHALL
26 DISTRIBUTE THE REMAINING DATA BROKER GROSS INCOME TAX REVENUE TO THE
27 BLUEPRINT FOR MARYLAND'S FUTURE FUND ESTABLISHED UNDER § 5-206 OF THE
28 EDUCATION ARTICLE.

29 **TITLE 7.3. DATA BROKER REGISTRY AND GROSS INCOME TAX.**

30 **SUBTITLE 1. DEFINITIONS.**

31 **7.3-101.**

1 **(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
2 **INDICATED.**

3 **(B) “APPORTIONABLE INCOME” MEANS GROSS INCOME OF A DATA BROKER**
4 **GENERATED FROM ENGAGING IN DATA BROKERING, INCLUDING INCOME RECEIVED**
5 **FROM DATA BROKERING PERFORMED OUTSIDE THE STATE IF THE INCOME WOULD**
6 **BE TAXABLE UNDER THIS TITLE IF RECEIVED FROM DATA BROKERING IN THE**
7 **STATE.**

8 **(C) (1) “BIOMETRIC INFORMATION” MEANS A RECORD OF ONE OR MORE**
9 **MEASURABLE BIOLOGICAL OR BEHAVIORAL CHARACTERISTICS THAT CAN BE USED**
10 **ALONE OR IN COMBINATION WITH EACH OTHER OR WITH OTHER INFORMATION FOR**
11 **AUTOMATED RECOGNITION OF A KNOWN OR UNKNOWN INDIVIDUAL.**

12 **(2) “BIOMETRIC INFORMATION” INCLUDES:**

13 **(I) FINGERPRINTS;**

14 **(II) RETINA AND IRIS PATTERNS;**

15 **(III) VOICEPRINTS;**

16 **(IV) DNA SEQUENCE;**

17 **(V) FACIAL CHARACTERISTICS;**

18 **(VI) GAIT;**

19 **(VII) HANDWRITING;**

20 **(VIII) KEYSTROKE DYNAMICS; AND**

21 **(IX) MOUSE MOVEMENTS.**

22 **(3) “BIOMETRIC INFORMATION” DOES NOT INCLUDE:**

23 **(I) WRITING SAMPLES;**

24 **(II) WRITTEN SIGNATURES;**

25 **(III) HUMAN BIOLOGICAL SAMPLES USED FOR VALID SCIENTIFIC**
26 **TESTING OR SCREENING;**

1 (IV) DEMOGRAPHIC DATA;

2 (V) TATTOO DESCRIPTIONS;

3 (VI) PHYSICAL DESCRIPTIONS, SUCH AS HEIGHT, WEIGHT, HAIR
4 COLOR, OR EYE COLOR; OR

5 (VII) DONATED ORGANS, TISSUES, OR PARTS, OR BLOOD OR
6 SERUM STORED ON BEHALF OF RECIPIENTS OR POTENTIAL RECIPIENTS OF LIVING
7 OR CADAVERIC TRANSPLANTS AND OBTAINED OR STORED BY A FEDERALLY
8 DESIGNATED ORGAN PROCUREMENT AGENCY.

9 (D) "BROKERED PERSONAL DATA" MEANS ANY OF THE FOLLOWING
10 COMPUTERIZED DATA ELEMENTS ABOUT A RESIDENT INDIVIDUAL, IF CATEGORIZED
11 OR ORGANIZED FOR SALE OR LICENSING TO ANOTHER ENTITY:

12 (1) THE RESIDENT INDIVIDUAL'S NAME OR THE NAME OF A MEMBER
13 OF THE RESIDENT INDIVIDUAL'S IMMEDIATE FAMILY OR HOUSEHOLD;

14 (2) THE RESIDENT INDIVIDUAL'S ADDRESS OR AN ADDRESS FOR A
15 MEMBER OF THE RESIDENT INDIVIDUAL'S IMMEDIATE FAMILY OR HOUSEHOLD;

16 (3) THE RESIDENT INDIVIDUAL'S DATE OF BIRTH OR PLACE OF BIRTH;

17 (4) THE MAIDEN NAME OF THE RESIDENT INDIVIDUAL'S MOTHER;

18 (5) BIOMETRIC INFORMATION ABOUT THE RESIDENT INDIVIDUAL;

19 (6) PERSONAL DATA ABOUT THE RESIDENT INDIVIDUAL;

20 (7) THE RESIDENT INDIVIDUAL'S SOCIAL SECURITY NUMBER OR THE
21 NUMBER OF ANY OTHER GOVERNMENT-ISSUED IDENTIFICATION FOR THE
22 RESIDENT INDIVIDUAL; OR

23 (8) OTHER INFORMATION THAT, ALONE OR IN COMBINATION WITH
24 OTHER INFORMATION THAT IS SOLD OR LICENSED, CAN REASONABLY BE
25 ASSOCIATED WITH THE RESIDENT INDIVIDUAL.

26 (E) (1) "BUSINESS ENTITY" MEANS:

27 (I) A RESIDENT INDIVIDUAL WHO REGULARLY ENGAGES IN
28 COMMERCIAL ACTIVITY FOR THE PURPOSE OF GENERATING INCOME;

1 (II) A CORPORATION OR NONPROFIT CORPORATION, LIMITED
2 LIABILITY COMPANY, PARTNERSHIP OR LIMITED LIABILITY PARTNERSHIP,
3 BUSINESS TRUST, JOINT VENTURE, OR ANY OTHER FORM OF BUSINESS
4 ORGANIZATION THE CONSTITUENT PARTS OF WHICH SHARE A COMMON ECONOMIC
5 INTEREST; OR

6 (III) AN INDIVIDUAL THAT CONTROLS, IS CONTROLLED BY, OR IS
7 UNDER COMMON CONTROL WITH A PERSON DESCRIBED IN ITEM (I) OR (II) OF THIS
8 PARAGRAPH.

9 (2) "BUSINESS ENTITY" DOES NOT INCLUDE THE STATE OR A UNIT OF
10 THE STATE, A LOCAL GOVERNMENT, OR A BUSINESS ENTITY OR OTHER PERSON
11 DURING A PERIOD IN WHICH THE BUSINESS ENTITY OR PERSON IS ACTING SOLELY
12 ON BEHALF OF AND AT THE DIRECTION OF THE STATE, A UNIT OF THE STATE, OR A
13 LOCAL GOVERNMENT.

14 (F) (1) "DATA BROKER" MEANS ANY BUSINESS ENTITY THAT ENGAGES IN
15 DATA BROKERING.

16 (2) "DATA BROKER" DOES NOT INCLUDE:

17 (I) A CONSUMER REPORTING AGENCY, AS DEFINED IN 15
18 U.S.C. § 1681A, A PERSON THAT FURNISHES INFORMATION TO A CONSUMER
19 REPORTING AGENCY, AS PROVIDED IN 15 U.S.C. § 1681S-2, OR A USER OF A
20 CONSUMER REPORT, AS DEFINED IN 15 U.S.C. § 1681A, TO THE EXTENT THAT THE
21 CONSUMER REPORTING AGENCY, THE PERSON THAT FURNISHES INFORMATION TO
22 A CONSUMER REPORTING AGENCY, OR THE USER OF A CONSUMER REPORT ENGAGES
23 IN ACTIVITIES THAT ARE SUBJECT TO REGULATION UNDER THE FEDERAL FAIR
24 CREDIT REPORTING ACT, 15 U.S.C. § 1681; AND

25 (II) A FINANCIAL INSTITUTION, AN AFFILIATE, OR A
26 NONAFFILIATED THIRD PARTY, AS THOSE TERMS ARE DEFINED IN 15 U.S.C. § 6809,
27 TO THE EXTENT THAT THE FINANCIAL INSTITUTION, AFFILIATE, OR NONAFFILIATED
28 THIRD PARTY IS SUBJECT TO REGULATION UNDER TITLE V OF THE
29 GRAMM-LEACH-BLILEY ACT, 15 U.S.C. §§ 6801 THROUGH 6809 AND REGULATIONS
30 ADOPTED UNDER TITLE V OF THE GRAMM-LEACH-BLILEY ACT.

31 (G) "DATA BROKERING" MEANS THE ACT OF COLLECTING, AGGREGATING,
32 ANALYZING, BUYING, SELLING, AND SHARING BROKERED PERSONAL DATA.

33 (H) "DE-IDENTIFIED DATA" MEANS DATA THAT CANNOT REASONABLY BE
34 USED TO INFER INFORMATION ABOUT OR OTHERWISE BE LINKED TO AN IDENTIFIED

1 OR IDENTIFIABLE INDIVIDUAL OR A DEVICE LINKED TO THAT INDIVIDUAL,
2 PROVIDED THAT THE PERSON IN CONTROL OF THE DATA:

3 (1) TAKES REASONABLE MEASURES TO ENSURE THAT THE DATA
4 CANNOT BE ASSOCIATED WITH A NATURAL PERSON;

5 (2) PUBLICLY COMMITS TO MAINTAIN AND USE THE DATA ONLY IN A
6 DE-IDENTIFIED FASHION AND NOT ATTEMPT TO RE-IDENTIFY THE DATA; AND

7 (3) CONTRACTUALLY OBLIGATES ANY RECIPIENTS OF THE
8 INFORMATION TO COMPLY WITH ALL PROVISIONS OF THIS SUBSECTION.

9 (I) "GROSS INCOME" MEANS THE VALUE PROCEEDING OR ACCRUING BY
10 REASON OF COLLECTING, AGGREGATING, ANALYZING, BUYING, SELLING, AND
11 SHARING BROKERED PERSONAL DATA WITHOUT ANY DEDUCTION ON ACCOUNT OF
12 THE COST OF TANGIBLE PROPERTY SOLD, THE COST OF MATERIALS USED, LABOR
13 COSTS, INTEREST, DISCOUNT, DELIVERY COSTS, TAXES, OR ANY OTHER EXPENSE
14 PAID OR ACCRUED AND WITHOUT ANY DEDUCTION ON ACCOUNT OF LOSSES.

15 (J) (1) "PERSONAL DATA" MEANS ANY INFORMATION THAT IS LINKED OR
16 REASONABLY LINKED TO AN IDENTIFIED OR IDENTIFIABLE NATURAL PERSON.

17 (2) "PERSONAL DATA" DOES NOT INCLUDE DE-IDENTIFIED DATA OR
18 PUBLICLY AVAILABLE INFORMATION.

19 (K) "RESIDENT INDIVIDUAL" MEANS A PERSON WHO RESIDES IN THE
20 STATE.

21 **SUBTITLE 2. DATA BROKER REGISTRY.**

22 **7.3-201.**

23 (A) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, A DATA
24 BROKER SHALL REGISTER WITH THE COMPTROLLER AS PROVIDED IN § 7.3-202 OF
25 THIS SUBTITLE.

26 (B) A DATA BROKER IS NOT REQUIRED TO REGISTER WITH THE
27 COMPTROLLER IF THE BROKERED PERSONAL DATA INVOLVES ANY OF THE
28 FOLLOWING:

29 (1) PROVIDING PUBLICLY AVAILABLE INFORMATION THAT IS
30 RELATED TO A RESIDENT INDIVIDUAL'S BUSINESS OR PROFESSION;

1 **(2) PROVIDING PUBLICLY AVAILABLE INFORMATION AS PART OF A**
2 **SERVICE THAT PROVIDES ALERTS FOR HEALTH OR SAFETY PURPOSES;**

3 **(3) PROVIDING DIRECTORY ASSISTANCE OR DIRECTORY**
4 **INFORMATION SERVICES AS OR ON BEHALF OF A TELECOMMUNICATIONS CARRIER;**
5 **OR**

6 **(4) SELLING THE ASSETS OF A BUSINESS ENTITY OR A PART OF A**
7 **BUSINESS ENTITY A SINGLE TIME OR ONLY OCCASIONALLY AS PART OF A TRANSFER**
8 **OF CONTROL OVER THE ASSETS THAT IS NOT PART OF THE ORDINARY CONDUCT OF**
9 **THE BUSINESS ENTITY OR A PART OF THE BUSINESS ENTITY.**

10 **7.3-202.**

11 **(A) (1) ON OR BEFORE JANUARY 31 EACH YEAR, FOLLOWING A YEAR IN**
12 **WHICH A BUSINESS ENTITY MEETS THE DEFINITION OF A DATA BROKER, A DATA**
13 **BROKER SHALL:**

14 **(I) SUBMIT ON A FORM AND IN A FORMAT THE COMPTROLLER**
15 **SPECIFIES:**

- 16 1. **THE NAME OF THE DATA BROKER;**
- 17 2. **THE STREET ADDRESS AND TELEPHONE NUMBER OF**
18 **THE DATA BROKER; AND**
- 19 3. **THE DATA BROKER'S PRIMARY WEBSITE AND E-MAIL**
20 **ADDRESS;**

21 **(II) PAY A FEE IN AN AMOUNT THAT THE COMPTROLLER**
22 **DETERMINES; AND**

23 **(III) INCLUDE WITH THE REGISTRATION FORM A DECLARATION**
24 **IN WHICH THE DATA BROKER:**

- 25 1. **STATES WHETHER A RESIDENT INDIVIDUAL'S**
26 **PRECISE GEOLOCATION INFORMATION IS A PART OF THE DATA BROKER'S DATA**
27 **BROKERING ACTIVITY;**

- 28 2. **STATES WHETHER RESIDENT INDIVIDUALS'**
29 **CONSUMER HEALTH DATA IS A PART OF THE DATA BROKER'S DATA BROKERING**
30 **ACTIVITY;**

1 **3. STATES WHETHER RESIDENT INDIVIDUALS MAY OPT**
2 **OUT OF ALL OR A PORTION OF THE DATA BROKER'S USE OF THEIR BROKERED**
3 **PERSONAL DATA;**

4 **4. A. IDENTIFIES WHICH OF THE DATA BROKER'S**
5 **ACTIVITIES A RESIDENT INDIVIDUAL MAY OPT OUT OF; AND**

6 **B. IDENTIFIES WHICH PORTION OF THE RESIDENT**
7 **INDIVIDUAL'S BROKERED PERSONAL DATA THE RESIDENT INDIVIDUAL MAY OPT**
8 **OUT FROM PROVIDING OR PERMITTING THE DATA BROKER TO USE;**

9 **5. DESCRIBES THE METHOD BY WHICH A RESIDENT**
10 **INDIVIDUAL MAY EXERCISE THE CHOICES DESCRIBED IN ITEMS 3 AND 4 OF THIS**
11 **ITEM; AND**

12 **6. STATES WHETHER A RESIDENT INDIVIDUAL MAY**
13 **AUTHORIZE AN INDIVIDUAL TO EXERCISE THE OPTIONS DESCRIBED IN ITEMS 3 AND**
14 **4 OF THIS ITEM ON THE RESIDENT INDIVIDUAL'S BEHALF AND IF SO, THE**
15 **APPROPRIATE PROCESS FOR THE AUTHORIZATION.**

16 **(2) (I) THE COMPTROLLER SHALL ESTABLISH THE FEE REQUIRED**
17 **UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION IN AN AMOUNT THAT IS SUFFICIENT**
18 **TO PAY THE COSTS OF ADMINISTERING THE REGISTRATION PROGRAM ESTABLISHED**
19 **UNDER THIS SUBTITLE.**

20 **(II) THE FEES COLLECTED UNDER THIS SUBSECTION SHALL BE**
21 **DEPOSITED IN THE GENERAL FUND.**

22 **(B) (1) IF A DATA BROKER COMPLIES WITH THE REQUIREMENTS OF THIS**
23 **SECTION, THE COMPTROLLER SHALL APPROVE THE REGISTRATION.**

24 **(2) A REGISTRATION UNDER THIS SECTION IS VALID UNTIL**
25 **DECEMBER 31 OF THE YEAR IN WHICH THE COMPTROLLER APPROVES THE**
26 **REGISTRATION.**

27 **7.3-203.**

28 **(A) THE COMPTROLLER SHALL MAKE THE INFORMATION THAT BUSINESS**
29 **ENTITIES SUBMIT FOR REGISTRATION UNDER THIS SUBTITLE PUBLICLY AVAILABLE**
30 **ON THE COMPTROLLER'S WEBSITE.**

31 **(B) ON OR BEFORE DECEMBER 31, 2026, AND EACH DECEMBER 31**
32 **THEREAFTER, THE COMPTROLLER SHALL REPORT TO THE GOVERNOR AND, IN**

1 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, TO THE
2 GENERAL ASSEMBLY ON THE FOLLOWING:

3 (1) HOW MANY BUSINESS ENTITIES REGISTERED WITH THE
4 COMPTROLLER AS DATA BROKERS IN THAT YEAR;

5 (2) THE FEE THE COMPTROLLER CHARGED FOR REGISTRATION PER
6 DATA BROKER AND THE TOTAL REVENUE COLLECTED;

7 (3) HOW MANY BUSINESS ENTITIES WERE FINED FOR
8 NONCOMPLIANCE WITH THIS SUBTITLE; AND

9 (4) ANY OTHER INFORMATION THE COMPTROLLER DETERMINES IS
10 RELEVANT.

11 **SUBTITLE 3. DATA BROKER GROSS INCOME TAX.**

12 **7.3-301.**

13 **A TAX IS IMPOSED ON THE ANNUAL GROSS INCOME OF A DATA BROKER.**

14 **7.3-302.**

15 **THE DATA BROKERING TAX RATE IS 6% OF THE GROSS INCOME OF A DATA**
16 **BROKER APPORTIONED UNDER § 7.3-303 OF THIS SUBTITLE.**

17 **7.3-303.**

18 **(A) THE APPORTIONABLE INCOME OF A DATA BROKER IS APPORTIONED TO**
19 **THE STATE BY MULTIPLYING ITS APPORTIONABLE INCOME BY THE RECEIPTS**
20 **FACTOR DETERMINED UNDER SUBSECTION (B) OF THIS SUBSECTION.**

21 **(B) (1) THE NUMERATOR OF THE RECEIPTS FACTOR IS THE TOTAL GROSS**
22 **INCOME OF THE DATA BROKER ATTRIBUTABLE TO THE STATE DURING THE TAXABLE**
23 **YEAR FROM ENGAGING IN DATA BROKERING DURING THE TAXABLE YEAR.**

24 **(2) THE DENOMINATOR OF THE RECEIPTS FACTOR IS THE TOTAL**
25 **GROSS INCOME OF THE DATA BROKER FROM ENGAGING IN DATA BROKERING**
26 **EVERYWHERE IN THE WORLD DURING THE TAXABLE YEAR.**

27 **(C) (1) (I) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS**
28 **SUBSECTION AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR**
29 **PURPOSES OF COMPUTING THE RECEIPTS FACTOR UNDER SUBSECTION (B) OF THIS**

1 SECTION, GROSS INCOME OF A DATA BROKER GENERATING SALES OR EXCHANGE
2 FOR CONSIDERATION OF PERSONAL DATA IS ATTRIBUTABLE TO THE STATE IN THE
3 RATIO, EXPRESSED AS A PERCENTAGE, THAT THE NUMBER OF MARYLAND
4 ADDRESSES IN THE PERSONAL DATA BEARS TO ALL ADDRESSES IN THE PERSONAL
5 DATA.

6 (II) ONLY PERSONAL DATA USED TO GENERATE THE GROSS
7 INCOME OF THE BUSINESS TO BE ATTRIBUTED UNDER THIS SUBSECTION IS
8 APPLICABLE IN CALCULATING THE RATIO DESCRIBED UNDER SUBPARAGRAPH (I)
9 OF THIS PARAGRAPH.

10 (2) IF THE DATA BROKER IS UNABLE TO ATTRIBUTE GROSS INCOME
11 UNDER PARAGRAPH (1) OF THIS SUBSECTION, GROSS INCOME OF THE DATA BROKER
12 GENERATED FROM MAKING SALES, OR EXCHANGING FOR CONSIDERATION, OF
13 PERSONAL DATA IS ATTRIBUTED TO THE STATE:

14 (I) IN THE RATIO, EXPRESSED AS A PERCENTAGE, OF THE
15 POPULATION OF THE STATE TO ALL THE STATES OF THE UNITED STATES IN THE
16 DATA BROKERS' MARKET; OR

17 (II) BY ANY OTHER REASONABLE METHODS OF ATTRIBUTION
18 ALLOWED BY THE COMPTROLLER.

19 (D) (1) (I) A DATA BROKER MAY CALCULATE THE RECEIPTS FACTOR
20 FOR THE CURRENT TAXABLE YEAR BASED ON THE MOST RECENT CALENDAR YEAR
21 FOR WHICH INFORMATION IS AVAILABLE FOR THE FULL CALENDAR YEAR.

22 (II) IF A DATA BROKER DOES NOT CALCULATE THE RECEIPTS
23 FACTOR FOR THE CURRENT TAXABLE YEAR BASED ON PREVIOUS CALENDAR YEAR
24 INFORMATION, THE DATA BROKER SHALL USE THE CURRENT YEAR INFORMATION
25 TO CALCULATE THE RECEIPTS FACTOR FOR THE CURRENT TAXABLE YEAR.

26 (2) A DATA BROKER SHALL CORRECT THE REPORTING FOR THE
27 CURRENT TAXABLE YEAR WHEN COMPLETE INFORMATION IS AVAILABLE TO
28 CALCULATE THE RECEIPTS FACTOR FOR THAT YEAR, BUT NOT LATER THAN
29 OCTOBER 31 OF THE FOLLOWING TAXABLE YEAR.

30 SUBTITLE 4. RETURNS.

31 7.3-401.

- 1 [(ix)] **(X)** a Maryland estate tax return;
- 2 [(x)] **(XI)** a motor carrier tax return;
- 3 [(xi)] **(XII)** a motor fuel tax return;
- 4 [(xii)] **(XIII)** an other tobacco products tax return;
- 5 [(xiii)] **(XIV)** a public service company franchise tax return;
- 6 [(xiv)] **(XV)** a sales and use tax return;
- 7 [(xv)] **(XVI)** a savings and loan association franchise tax return;
- 8 [(xvi)] **(XVII)** a tire recycling fee return;
- 9 [(xvii)] **(XVIII)** a tobacco tax return; or
- 10 [(xviii)] **(XIX)** a transportation services assessment return.

11 13-402.

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

14 (5) for public service company franchise tax:

15 (i) estimate gross receipts from the best information in the
16 possession of the tax collector; and

17 (ii) assess the tax due on the estimated gross receipts; [and]

18 (6) for digital advertising gross revenues tax:

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

21 (ii) assess the tax due on the estimated assessable base; **AND**

22 **(7) FOR DATA BROKER GROSS INCOME TAX:**

23 **(I) ESTIMATE THE GROSS INCOME FROM THE BEST**
24 **INFORMATION IN POSSESSION OF THE TAX COLLECTOR; AND**

1 (II) ASSESS THE TAX DUE ON THE ESTIMATED ASSESSABLE
2 BASE.

3 13-508.

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

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

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

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

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

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

23 (ii) after the hearing:

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

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

26 and

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

29 13-509.

30 (a) Notwithstanding a person's failure to file a timely application for revision or
31 claim for refund of an assessment of the admissions and amusement tax, alcoholic beverage
32 tax, boxing and wrestling tax, **DATA BROKER GROSS INCOME TAX**, income tax, motor
33 carrier tax, motor fuel tax, sales and use tax, or tobacco tax under § 13-508(a) of this

1 subtitle, the Comptroller or the Comptroller's designee may issue an order decreasing or
2 abating an assessment to correct an erroneous assessment.

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

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

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

9 13-1001.

10 (H) **A PERSON WHO IS REQUIRED TO FILE A DATA BROKER GROSS INCOME**
11 **TAX RETURN AND WHO WILLFULLY FAILS TO FILE THE RETURN AS REQUIRED UNDER**
12 **TITLE 7.3 OF THIS ARTICLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS**
13 **SUBJECT TO A FINE NOT EXCEEDING \$5,000 OR IMPRISONMENT NOT EXCEEDING 5**
14 **YEARS OR BOTH.**

15 13-1002.

16 (b) A person, including an officer of a corporation, who willfully files **A FALSE**
17 **DATA BROKER GROSS INCOME TAX RETURN**, a false digital advertising gross revenues
18 tax return, a false financial institution franchise tax return, a false public service company
19 franchise tax return, or a false income tax return with the intent to evade the payment of
20 tax due under this article is guilty of perjury and, on conviction, is subject to the penalty
21 for perjury.

22 (c) Subsections (a) and (b) of this section apply to the alcoholic beverage, **DATA**
23 **BROKER GROSS INCOME**, digital advertising gross revenues, financial institution
24 franchise, public service company franchise, and income taxes.

25 13-1101.

26 (b) An assessment of digital advertising gross revenues tax, financial institution
27 franchise tax, public service company franchise tax, income tax, or estate tax may be made
28 at any time if:

29 (1) a false return is filed with the intent to evade the tax;

30 (2) a willful attempt is made to evade the tax;

31 (3) a return is not filed as required under Title 7, **TITLE 7.3**, Title 7.5, Title
32 8, or Title 10 of this article;

1 (4) an amended estate tax return is not filed as required under Title 7 of
2 this article;

3 (5) an incomplete return is filed; or

4 (6) a report of federal adjustment is not filed within the period required
5 under § 13–409 of this title.

6 (c) If a report of federal adjustment is filed within the time required under §
7 13–409 of this title, the tax collector shall assess the **DATA BROKER GROSS INCOME TAX**,
8 digital advertising gross revenues tax, financial institution franchise tax, public service
9 company franchise tax, income tax, or estate tax within 1 year after the date on which the
10 tax collector receives the report.

11 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
12 as follows:

13 **Article – Commercial Law**

14 13–204.1.

15 (c) The Unit shall:

16 (1) Enforce:

17 (i) The Maryland Age–Appropriate Design Code Act;

18 **(II) THE ONLINE DATA PRIVACY ACT; and**

19 **[(ii)] (III)** Any State or federal laws involving technology, online
20 services and products, cybersecurity, artificial intelligence, and digital privacy;

21 SECTION 4. AND BE IT FURTHER ENACTED, That the data broker gross income
22 tax enacted under Section 2 of this Act shall be applicable to all taxable years beginning on
23 or after December 31, 2026.

24 SECTION 5. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall take
25 effect October 1, 2025, the effective date of Chapters 454 and 455 of the Acts of the General
26 Assembly of 2024. If the effective date of Chapters 454 and 455 is amended, Section 3 of
27 this Act shall take effect on the taking effect of Chapters 454 and 455.

28 SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in Section
29 5 of this Act, this Act shall take effect July 1, 2025.