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Budget and Taxation Committee  
Chair, Capital Budget Subcommittee

Chair, Senate Democratic Caucus

**THE SENATE OF MARYLAND**  
ANNAPOLIS, MARYLAND 21401

**Testimony of Senator Craig J. Zucker**  
**Senate Bill 605/House Bill 546- Digital Advertising Gross Revenues Tax - Assessments - Appeals and Corrections**  
**March 27<sup>th</sup>, 2025**  
**2:00pm**  
**Position: Favorable**

Good afternoon, Chair Atterbeary, Vice Chair Wilkins, and distinguished members of the Budget and Taxation Committee. It is my pleasure to testify today in support of **Senate Bill 605 Digital Advertising Gross Revenues Tax (DAGR) - Assessments - Appeals and Corrections**. SB605 is in the same posture as the cross-file, House Bill 546, and both bills passed their respective chambers unanimously.

Currently, taxpayers contesting DAGR tax determinations must proceed directly to the Maryland Tax Court. SB 605 would add the DAGR tax to the list of tax assessments eligible for an application for revision, a claim for refund, and an informal hearing within the Comptroller's Office before proceeding to court.

The Comptroller's Hearings and Appeals Division already manages appeals for nine other types of common taxes. Expanding this established review process to include the DAGR tax would reduce legal expenses for both taxpayers and the state, resolve disputes more efficiently, and create consistency across Maryland's tax system.

As the DAGR tax impacts a smaller segment of taxpayers, it is unlikely to create any significant additional burden on the Comptroller's Hearings and Appeals Division. Importantly, SB 605 is prospective and will only impact DAGR tax assessments after December 31, 2025. All existing assessments, appeals, and cases will remain in their current state.

I would like to thank Delegate Feldmark for her leadership on the cross-file, House Bill 546. I respectfully request a **favorable report on Senate Bill 605**. Thank you for your consideration.