

## Other/Miscellaneous:

### Maryland: Return for Gross Receipts Tax on Digital Ad Services is Due April 17 with No Extensions

*Tax Alert: Comptroller's Office Posts Digital Advertising Gross Revenues Tax Return Form Online*, Md. Comptroller, Legal Division (2/15/23). The Legal Division within the Maryland Office of the Comptroller (Comptroller) announced that the Comptroller has published "Maryland Form 600, Digital Advertising Gross Revenues Tax Return" to implement Maryland's novel tax on digital advertising services [see H.B. 732 (2021) and previously issued Multistate Tax Alert for more details on this new tax, as well as S.B. 787 (2021) and previously issued Multistate Tax Alert, for details on subsequently enacted legislation that pushed the start date of the new digital advertising tax to 2022], highlighting that because April 15, 2023, falls on a Saturday, the digital advertising gross revenue tax returns for tax year 2022 are due on April 17, 2023. The announcement cautions that "there is no provision in the law for a six-month filing extension of the digital advertising gross revenues tax as exists for income taxes," and "interest accrues on unpaid tax from the date the tax is due." Regarding estimated payments for the new tax, the announcement explains that because all taxpayers qualify for Maryland's "safe harbor" from estimated payments for tax year 2022, the Comptroller will *not* publish a 2022 Form 600UP to calculate underpayment of estimated digital advertising gross revenues tax.

- URL:** [https://www.marylandtaxes.gov/forms/Tax\\_Publications/Tax\\_Alerts/DAGR\\_Tax\\_Alert\\_02\\_15\\_2023\\_Digital\\_Advertising\\_Gross\\_Revenues\\_Tax\\_Return.pdf](https://www.marylandtaxes.gov/forms/Tax_Publications/Tax_Alerts/DAGR_Tax_Alert_02_15_2023_Digital_Advertising_Gross_Revenues_Tax_Return.pdf)
- URL:** <http://mgaleg.maryland.gov/mgawebsite/Legislation/Details/hb0732/?ys=2020rs>
- URL:** <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-maryland-enacts-tax-on-digital-advertising-services.pdf>
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- URL:** <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-mta-maryland-enacts-emergency-bill-addressing-taxation-of-digital-advertising-and-digital-products.pdf>

Note that, earlier this year, the Maryland Supreme Court (Court) agreed to review the Anne Arundel County Circuit Court's 2022 decision [see previously issued Multistate Tax Alert for more details on this recent decision] that Maryland's tax on digital advertising services violates the US Constitution and federal Internet Tax Freedom Act (ITFA); however, the Court denied the Maryland Attorney General's request to stay enforcement of the lower court's declaratory judgment pending the appeal so that the declaration would have "no effect unless and until ordered by this Court" [see *State Tax Matters*, Issue 4, for more details on this pending litigation]. Please contact us with any questions.

- URL:** <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-multistate-tax-maryland-circuit-court-strikes-down-tax-on-digital-advertising-services.pdf>
- URL:** [https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2023/STM/230127\\_9.html](https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2023/STM/230127_9.html)

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