

State Digital Advertising Tax Legislation (2021)

State	Year	House/GA	Senate	Lead Sponsors	Details	Type	Implementation Date	Other	Bill Language	Status	Chance of Passage 2021
AR	2021		AR SB 558	Senator Trent Garner (R)	<p>Levies a 7% tax on a social media provider's gross revenue from social media advertising services in Arkansas during a calendar year plus one dollar (\$1.00) for the average number of Arkansas account holders during a calendar year.</p> <p>A social media provider is defined as maintaining or operating a public social-media platform, has at least five hundred thousand (500,000) Arkansas account holders, has an annual gross revenue from social media advertising services in Arkansas of at least five hundred thousand dollars (\$500,000), and derives economic benefit from data individuals in Arkansas share with business.</p>	Social Media Providers Surcharge Tax	First day of the calendar quarter following the effective date of this act.	Targets revenue toward Arkansas State Police Fund and Arkansas Acceleration Fund to be used for rural broadband expenses.	https://legiscan.com/AR/text/SB558/2021	Recommended for study in the Interim Committee on Revenue & Tax. Adjourned Sine Die.	Adjourned sine die
CT	2021	HB 6187	S.B. 821	Josh Elliot (D)	10% tax on the annual gross revenues derived from digital advertising services in the state for any with annual worldwide gross revenues >\$10 billion	Flat Gross Excise Tax	N/A	Proposed bill to be used to provide a one-time direct payment of \$500 to individuals who experienced economic hardships due to the COVID-19 pandemic and received unemployment compensation during certain periods in 2020.	https://www.cga.ct.gov/2021/TOB/H/PDF/2021HB-06187-R00-HB.PDF	Finance Committee held a public hearing on both proposed bills on March 15, 2021. Alternative tax proposals being considered.	Not Likely
CT	2021	HB 5645		Anne M. Hughes (D-135)	Bill language does not specify how much that tax would be. Establishes a tax on social media provider companies on the apportioned annual gross revenue derived from social media advertising services in the state.	N/A	N/A	In part, to fund online bullying prevention efforts and training and research for counselors and educational institutions to address social isolation and suicide prevention	https://www.cga.ct.gov/2021/TOB/H/PDF/2021HB-05645-R00-HB.PDF	Public Hearing 03/08. TraAdjourned Sine Die (6/9).	Not Likely
CT	2021	HB 6443		Jane M. Garibay (D-60)	<p>2.5% of assessable base for gross revenues of \$100M to \$1B 5% of assessable base for gross revenues of \$1B to \$5B 7.5% of assessable base for gross revenues \$5B to \$15B 10% of assessable base for gross revenues >\$15B</p> <p>Revenue Commissioner to adopt regulations for reporting and estimated tax payment requirements. Assessable base" means the annual gross revenues derived from digital advertising services in the state;</p>	Graduated Gross Excise Tax	1/1/2022	<p>Earmarked for a new "Connecticut Equitable Investment Fund," which is charged with reducing income inequality The tax is designed to generate between \$150 million and \$175 million per year. The bill fails to provide any method for determining what part of a firm's total global advertising revenue should be attributed to Connecticut. Labor leaders have spoke in favor of the tax. Connecticut Retail Merchants Association opposes the tax.</p>	https://www.cga.ct.gov/2021/FC/PDF/2021HB-06443-R000638-FC.PDF	Hearing held 3/29, Joint Favorable Substitute 4/22 (SB1106). Session Expires 6/9. Speaker stated at a news conference that the digital ad tax would not be included in the final budget.	Not Likely
CT	2021		SB1106	Committee Bill	<p>2.5% of assessable base for gross revenues of \$100M to \$1B 5% of assessable base for gross revenues of \$1B to \$5B 7.5% of assessable base for gross revenues \$5B to \$15B 10% of assessable base for gross revenues >\$15B</p> <p>Revenue Commissioner to adopt regulations for reporting and estimated tax payment requirements. Assessable base" means the annual gross revenues derived from digital advertising services in the state;</p>	Graduated Gross Excise Tax	1/1/2022	<p>Primary state digital advertising bill. Earmarked for a new "Connecticut Equitable Investment Fund," which is charged with reducing income inequality The tax is designed to generate between \$150 million and \$175 million per year. The bill fails to provide any method for determining what part of a firm's total global advertising revenue should be attributed to Connecticut. Labor leaders have spoke in favor of the tax. Connecticut Retail Merchants Association opposes the tax.</p> <p>The Finance Committee also amended the budget implementer bill (H.B. 6443) on April 22 to incorporate an identical version of the Connecticut Digital Advertising Tax proposal. The implementer bill is currently pending before the House. Budget negotiations between the legislature and the Governor's office are ongoing.</p>	https://www.cga.ct.gov/2021/TOB/S/PDF/2021SB-01106-R00-SB.PDF	Adjourned sine die. Bill will not be included in the state budget. Speaker stated at a news conference that the digital ad tax would not be included in the final budget.	
IN	2021	HB 1312		Rep. John Prescott (R)	<p>Imposes a 7% surcharge tax on social media providers. Defines "social media provider" as a social media company that: (1) maintains a public social media platform; (2) has more than 1,000,000 active Indiana account holders; (3) has annual gross revenue derived from social media advertising services in Indiana of at least \$1,000,000; and (4) derives economic benefit from the data individuals in Indiana share with the company.</p> <p>Provides that the surcharge tax is equal to: (1) the annual gross revenue derived from social media advertising services in Indiana in a calendar year multiplied by 7%; plus (2) the total number of the social media provider's active Indiana account holders in a calendar year multiplied by \$1.</p>	Social Media Providers Surcharge Tax	1/1/2022	Revenue targeted for online bullying, social isolation, and suicide prevention fund.	http://iga.in.gov/static-documents/2/0/7/0/20705e57/1312.01.INTR.pdf	Adjourned Sine Die (6/9)	Adjourned sine die

State Digital Advertising Tax Legislation (2021)

State	Year	House/GA	Senate	Lead Sponsors	Details	Type	Implementation Date	Other	Bill Language	Status	Chance of Passage 2021
MA	2021-2022	HD3210		Erika Uytterhoeven (D-27) Adam G. Hinds (D)	-5% of the assessable base for a person with annual gross revenues of \$50,000,000 through \$100,000,000 -10% of the assessable base for a person with annual gross revenues of \$100,000,001 through \$200,000,000 -15% of the assessable base for a person with annual gross revenues exceeding \$200,000,001 For company's having Massachusetts annual digital advertising services gross revenue of at least \$100K, the tax is applied on a calendar year basis with quarterly estimated payments of at least 25% of the estimated tax base due each quarter and an annual tax return due by April 15th of the following year.	Graduated Gross Excise Tax	1/1/2022	"Digital advertising services" means "advertising services on a digital interface," and includes banner advertising; search engine advertising; interstitial advertising; promoted, boosted, or sponsored content; and other comparable advertising services. "Digital interface" is defined as any type of software a user can access, including a website or part of a website, or an application or part of an application. •Services are sourced to devices in Massachusetts using either a device's IP or a device that is known or presumed to be used in the state.	https://trackbill.com/bill/massachusetts-house-docket-3210-an-act-establishing-a-tax-on-local-revenues-from-digital-advertising/2039565/	Referred to the House Committee on Revenue	Not Likely
MA	2021-2022	HD 3601		Dylan Fernandes (D)	>\$25 million in state annual revenue from digital advertising ; 5% flat excise tax on a person's annual revenue digital advertising services within the commonwealth.	Flat Gross Excise Tax	N/A	Targets revenue toward Local Newspaper Trust Fund	https://trackbill.com/bill/massachusetts-house-docket-3601-an-act-relative-to-taxation-of-digital-advertising-services/2041595/	Referred to the House Committee on Revenue	Not Likely
MA	2021-2022	HB 3588		Rep. Richard Haggerty (D)	No tax imposition. Establishes "a special commission to conduct a comprehensive study relative to generating revenue from digital advertising that is displayed inside of Massachusetts by companies that generate over \$100 million a year in global revenue".	Other (Study+ Report Requirement)	2/15/2022		https://trackbill.com/bill/massachusetts-house-docket-3522-an-act-establishing-a-tax-for-online-advertising/2041482/	Referred to the House Committee on Revenue.	Not Likely
MA	2021-2022	HB 3522		Russell E. Holmes (D-6)	N/A	N/A	N/A	Draft being worked on by House Counsel.	https://trackbill.com/bill/massachusetts-house-docket-3522-an-act-establishing-a-tax-for-online-advertising/2041482/	Draft in process	Not Likely
MD	2021	H.B. 1200	S. 787	Sen. William Ferguson (D-46)	Amends Maryland's Digital Advertising Gross Revenues Tax by: (1) delaying the effective start date to January 1, 2022; (2) exempting broadcast and news media entities' digital advertisement services, and (3) prohibiting the pass-through of the tax via a separate charge. Amends Maryland's sales and use tax expansion on digital products by: (1) exempting a limited number of digital services, including live-streamed school instruction; (2) expanding the custom computer software exemption; and (3) making various technical corrections. The legislation would not prohibit taxpayers from indirectly passing on the cost of the tax, such as raising prices to account for this increased cost.	Other (Amendments)	1/1/2022			Enacted 5/13/21. Passed Senate 4/12/21 (Y: 32 N: 14 NV: 0 Abs: 1) Passed House 4/9/21 (Y: 95 N: 43 NV: 0 Abs: 3)	Passed
MT	2021	HB 363		Jeremy Trebas (R)	10% tax on the annual gross revenues derived from digital advertising services in Montana on each person with worldwide annual gross revenue from digital advertising services of >\$25 million. For company's having Montana annual digital advertising services gross revenue of at least \$1M, the tax is applied on a calendar year basis with quarterly estimated payments of at least 25% of the estimated tax base due each quarter and an annual tax return due by April 15th of the following year.	Flat Gross Excise Tax	1/1/2022		https://leg.mt.gov/bills/2021/HB0399/HB0363_1.pdf	Tabled in Committee (H) Taxation. Adjourned Sine Die	None
NY	2021-2022	AB 734	SB 302	Sen. Kevin Thomas(D-6) Rep. Daniel Rosenthal (D-27)	Bill language does not specify how much that tax would be. The bills would impose a sales tax of digital advertising services in the state, including banner advertising, interstitial advertising, search engine advertising, and other comparable advertising services that market or promote a particular good, service, or political candidate or message. Resales would not be subject to the tax.	Sales Tax	30 days after becoming law; applies to sales made and uses occurring on and after that date. Automatically expire after five years.	Earmarked for zero-interest refinancing of eligible education loans by the Higher Education Services Corporation.	https://legislation.nysenate.gov/pdf/bills/2021/A734	In committee	Not Likely

State Digital Advertising Tax Legislation (2021)

State	Year	House/GA	Senate	Lead Sponsors	Details	Type	Implementation Date	Other	Bill Language	Status	Chance of Passage 2021
NY	2021-2022		SB 1124	Sen. Michael Gianaris (D-12)	<p>-2.5% of the assessable base for a person with global annual gross revenues of \$100 million to \$1 billion</p> <p>-5% of the assessable base for a person with global annual gross revenues >\$1 billion to \$5 billion</p> <p>-7.5% of the assessable base for a person with global annual gross revenues of >\$5 billion to \$15 billion</p> <p>-10% of the assessable base for a person with global annual gross revenues exceeding >\$15 billion</p> <p>Directs the New York State Commissioner of Taxation to adopt regulations governing this apportionment determination.</p> <p>For company's having New York annual digital advertising services gross revenue of at least \$1M, the tax is applied on a calendar year basis with quarterly estimated payments of at least 25% of the estimated tax base due each quarter and an annual tax return due by April 15th of the following year.</p> <p>Tax is limited to advertising on a digital interface "that use(s) personal information about the people the ads are being served to" or customer tracking-based ads"; this significant limits tax base compared to other state bills.</p>	Graduated Gross Excise Tax	1/1/2022	Definition of digital advertising does not include reference to political ads. Unlike 2020 bill, definition of "digital advertising services" adds the qualification that such services "use personal information about the people the ads are being served to." Similar measures introduced during the 2019–2020 legislative session failed to make it out of committee.	https://legislation.nysenate.gov/pdf/bills/2021/S1124	In committee	Not Likely
NY	2021-2023		AB 00946	Stacey Pheffer Amato (D)	<p>Imposes a 5% tax on the gross income of every corporation that derives income from the data individuals in New York share with such corporations. Revenues are funneled to the "New York data fund" in the custody of the state comptroller and the commissioner of taxation and finance. The board of the fund shall determine and distribute fund to each taxpayer of the state.</p>	Flat Gross Excise Tax on Data Possession (Intangible property tax)	180 Days After Enactment		https://legiscan.com/NY/text/A00946/2021	In committee	Not Likely
NY	2021-2022	A06199	S04959		<p>Monthly excise tax on the collection of personal consumer data by for-profit commercial data collectors. The tax shall apply regardless of the format, electronic or otherwise, in which the consumer data is collected by the commercial data collector. Excludes basic contact information and payment information. Rates shall apply as follows:</p> <p>0-1M consumers, \$0</p> <p>>1M-2M NY consumers, \$0.05 per NY consumer (monthly)</p> <p>>2M-3M NY consumers, \$50K + \$0.10 per NY consumer (monthly)</p> <p>>3M-4M NY consumers, \$150K + \$0.15 per NY consumer (monthly)</p> <p>>4M-5M NY consumers, \$300K + \$0.20 per NY consumer (monthly)</p> <p>>5M-6M NY consumers, \$500K + \$0.25 per NY consumer (monthly)</p> <p>>6M-7M NY consumers, \$750K + \$0.30 per NY consumer (monthly)</p> <p>>7M-8M NY consumers, \$1.05M + \$0.35 per NY consumer (monthly)</p> <p>>8M-9M NY consumers, \$1.4M+\$0.40 per NY consumer (monthly)</p> <p>>9M-10M NY consumers, \$1.8M + \$0.45 per NY consumer (monthly)</p> <p>>10M NY consumers, \$2.25M+ \$0.50 per NY consumer (monthly)</p> <p>A New York consumer shall be counted only once in the calculation. Business entities having common ownership shall be treated as a single taxpayer for purposes of meeting the definition of commercial data collector.</p>	Graduated Excise Tax on Data Possession (Intangible property tax)	Applies to all tax years commencing on or after the first day of the first month that begins more than six months after the law takes effect.	https://assembly.state.ny.us/leg/?default_fid=S04959&term=2021&Summary=Y&Actions=Y&Text=Y&Committee%26nbspVotes=Y&Floor%26nbspVotes=Y#S04959	Committee discharged and committed to Budget and Revenue. Referred to Investigations and Government Operations Committee.	Not Likely	
NY	2021-2022		SB 6727	Sen. Andrew Gounardes (D-NY)	<p>Establishes the office of consumer data protection for the purpose of properly safeguarding personal data; imposes a tax on data controllers and data processors required to register with such office.</p> <p>Tax is equivalent to 2% of annual gross receipts for (all domestic and foreign sources) x % of data subjects who reside in the state whose data is being collected.</p>	Gross Income Tax on Data Sale	180 days after enactment	Revenue targeted for digital literacy, STEAM education, and workforce redevelopment.	https://nyassembly.gov/leg/?default_fid=%0D%0A&leg_video=&bn=SB+6727&term=&Summary=Y&Text=Y	In committee	Not Likely
OR	2021	HB 2392		Rep. Pam Marsh (D-5)	<p>Imposes a 5% gross receipts tax generated from data broker sales. Selling taxable personal information" includes exchanging personal information for consideration other than cash or cash equivalents.</p> <p>Applies to sales of taxable personal information that become final on or after January 1, 2022.</p> <p>Includes a broad definition of taxable personal information. The Department of Revenue may adopt rules to establish uniformity in the application, reporting and collection of the tax. applied on a calendar year basis with quarterly estimated payments of at least 25% of the estimated tax base due each quarter and an annual tax return due by April 15th of the following year.</p>	Gross Receipts Tax on Data Sale	September 27, 2021		https://olis.leg.state.or.us/liz/2021R1/Download/MeasureDocument/2392/Introduced	In committee. Legislature ends 6/28.	Not Likely

State Digital Advertising Tax Legislation (2021)

State	Year	House/GA	Senate	Lead Sponsors	Details	Type	Implementation Date	Other	Bill Language	Status	Chance of Passage 2021
TX	2021	HB 4467		Trey Martinez Fischer (D-116)	<p>Global annual gross revenues of \$100 million or more and (2) digital advertising revenues sourced to the state of \$1 million or more, would be subject to the tax.</p> <p>-2.5% of the assessable base for a person with global annual gross revenues of \$100 million to \$1 billion -5% of the assessable base for a person with global annual gross revenues >\$1 billion to \$5 billion -7.5% of the assessable base for a person with global annual gross revenues of >\$5 billion to \$15 billion -10% of the assessable base for a person with global annual gross revenues exceeding >\$15 billion</p> <p>Comptroller to adopt regulations for reporting and estimated tax payment requirements. Comptroller "shall consider business to be done when revenue derived from that business is recognized by a person according to generally accepted accounting principles."</p> <p>First payment is due (annually) on or before April 15, 2023, however the tax applies to revenue derived from business done on or after Jan. 1, 2022. No quarterly estimated payments.</p>	Graduated Gross Excise Tax	1/1/2022	25% of revenue from tax directed as a credit of the foundation school fund; 75% of revenue from tax directed to the general revenue fund.	https://capitol.texas.gov/tlodocs/87R/billtext/html/HB044671.htm	In committee. Adjourned Sine Die.	None
TX	2021		S.B. 1711	Sen. Drew Springer (R-TX-030)	<p>To help reduce property tax liability, imposes sales tax (6.25%) to include a wide range of enumerated services, including advertising services. Advertising services are defined as: (1) the provision of advertising space and time, including television and radio time, magazine space, newspaper space, and billboard space; or (2) the development of an advertising campaign or the content of an advertisement, including a television, radio, print, or Internet advertisement. The bill also does not contain any provisions for how advertising services would be sourced to the state.</p>	Sales Tax	1/1/2022	Requires that a constitutional amendment is approved by voters to authorize the legislature to exempt from ad valorem taxation by a school district a portion of the appraised value of an individual's residence homestead in an amount equal to 150 percent of the median appraised value of all single-family residences in the state.	https://capitol.texas.gov/tlodocs/87R/billtext/pdf/SB017111.pdf#navpanes=0	In committee. Adjourned sine die.	None
WA	2021-2022	HB 1303		Rep. Shelly Kloba (D)	<p>Extends the business and occupation (B&O) tax to "every person engaging within this state in the business of making sales of personal data or exchanging personal data for consideration." The term "engaging in business" in Washington would be measured by the state's regular B&O economic nexus standard.</p> <p>The tax would be equal to the gross income of the business multiplied by the rate of 1.8%. Gross income from the sale of personal information attributable to Washington State would be calculated using a ratio, "expressed as a percentage, that the number of Washington addresses in the personal information bears to all addresses in the personal information," provided that only personal information used to generate income of the business is considered in the calculation. If the taxpayer is unable to attribute the gross income of the business using this method, a population method or some other reasonable method allowed by the Department of Revenue would have to be used to attribute receipts to Washington. The legislation also would impose an annual information reporting obligation on entities selling personal information.</p> <p>Personal data" means any information that is linked or reasonably linked to an identified or identifiable natural person." Includes an exemption for de-identified data. Personal data does not include deidentified or publicly available data and personal data sold by a state agency for purposes of increasing public safety or positive health outcomes if secondary sales of such data is contractually prohibited. The sale or provision of personal data is excluded from the definitions of digital automated services, digital goods, and gross income from royalties. Credit bureau services are removed from the definition of a retail sale</p> <p>Requires any person making sales of personal data in the state to annually register with the Department of Revenue, beginning September 1, 2022.</p>	Gross Income Tax on Data Sales	1/1/2022	<p>https://app.leg.wa.gov/committeeschedules/Home/Documents/28906</p> <p>Has 10 democratic co-sponsors.</p>	http://lawfilesext.leg.wa.gov/biennium/2021-22/Pdf/Bills/House%20Bills/1303.pdf?q=20210602082551	In committee; Public hearing held 3/23. Adjourned. Carry over state.	Moderate
WV	2021		SB 605	Sen. Rupert Phillips (R)	<p>-2.5% of the assessable base for a party with global annual gross revenues of \$100,000,000 through \$1,000,000,000; -5% of the assessable base for a party with global annual gross revenues of \$1,000,000,001 through \$5,000,000,000; -7.5% of the assessable base for a party with global annual gross revenues of \$5,000,000,001 through \$15,000,000,000; and -10% of the assessable base for a party with global annual gross revenues exceeding \$15,000,000,000.</p> <p>For company's having West Virginia annual digital advertising services gross revenue of at least \$1M the tax is applied on a calendar year basis with quarterly estimated payments of at least 25% of the estimated tax base due each quarter and an annual tax return due by April 15th of the following year.</p>	Graduated Gross Excise Tax	N/A		http://www.wvlegislature.gov/Bill_Status/bills_text.cfm?billdoc=SB605%20INTR.htm&yr=2021&sesstype=RS&i=605	In committee; Adjourned sine die (no hearing). Possibly coming back next year.	None

State Digital Advertising Tax Legislation (2020)

State	Year	House/GA	Senate	Lead Sponsors	Details	Type	Implementation Date	Other	Bill Language	Status
DC	2020	B23-0760		Phil Mendelson (D) David Grosso (I)	<p>In B23-0760, the Fiscal Year 2021 Budget Support Act of 2020, the DC Council proposed a 3% (reduced from the general 6% rate) sales tax on sales of advertising services, including both digital and non-digital advertising. The tax would have also applied to sales of personal information.</p> <p>The first draft of the BSA also sought to impose the 3% sales tax on charges for personal information or data. This includes a person's:</p> <ul style="list-style-type: none"> -Name, address, email address, phone number -Physical characteristics or description -Biometric data -Driver's license number, state identification card number, passport number, social security number, or other government-issued identification number -Digital signature -Bank account number, debit card number, credit card number, or any other financial information -Educational, employment, insurance, and medical information. -Internet Protocol (IP) address -Browser habits, consumer preferences, and any other data that can be attributed to a person and can be used for marketing, or to determine access or costs related to insurance, credit, or health care. <p>The proposed tax provision was originally fairly broad and drafted to apply to every stage of the advertisement creation process from "planning, creating, placing or displaying advertising in newspapers, magazines, billboards, broadcasting, and other media, including without limitation, the providing of concept, writing, graphic design, mechanical art, photography, and production supervision." A subsequent amendment clarified that the tax was only intended to apply to the "placement and display" of advertisements and not on "planning and creation." The tax did not exempt related party transactions, resulting in the 3% tax applying to each step of a corporate group's advertising process.</p> <p>The proposal failed to address how the advertising service receipts would be sourced.</p>	Sales Tax		<p>This act shall take effect following approval by the Mayor (or in the event of veto by the 4336 Mayor, action by the Council to override the veto), a 60-day period of congressional review.</p> <p>Ultimately, the DC Council voted to amend the provisions out of the final budget bill because of concerns about its impact on local media and businesses. The Council has received significant feedback from various groups, including local media organizations, opposing the tax.</p>	<p>https://us.eversheds-sutherland.com/portals/resourcel/B23.pdf</p>	Abandoned at July 21, 2020 council meeting via amendment. Adjourned sine die.
MD	2020	H.B. 732			<p>Digital advertising services are defined as any advertising services delivered on any type of software, website, or application that a person can access on a device. The bill does provide insight into a few types of advertising services that are specifically covered, including banner advertising, search engine advertising, and interstitial advertising. However, it also includes a vague catch-all: "and other comparable advertising services."</p> <p>The tax applies to annual gross revenues derived by large firms from digital advertising services in the state. From there, the tax rate increases based on the global annual gross revenues of the entity:</p> <ul style="list-style-type: none"> -2.5% for entities with over \$100 million in global annual gross revenues -5% for entities with over \$1 billion in global annual gross revenues -7.5% for entities with over \$5 billion in global annual gross revenues -10% for entities with over \$15 billion in global annual gross revenues <p>In order to be subject to the tax a taxpayer must have \$100,000,000 in global annual gross revenue and \$1,000,000 of Maryland annual gross revenue from digital advertising services in Maryland.</p> <p>The tax is applied on a calendar year basis with quarterly estimated payments of at least 25% of the estimated tax base due each quarter and an annual tax return due by April 15th of the following year. A penalty of up to 25% may be imposed on underestimated quarterly payments. Also, taxpayers may be subject to criminal penalties for the willful failure to file a return.</p> <p>Precisely what advertising services are subject to the new tax is laid out without much technical specificity in H.B. 732. While the global annual gross revenues laid out above to set the applicable tax rate apply to all revenue, those tax rates are then applied only to the annual gross revenues derived from digital advertising services in the state of Maryland. The law itself does not provide any rules for determining the state from which revenues from digital advertising services are derived, but instead authorizes the Maryland Comptroller to adopt regulations sourcing such receipts</p> <p>Entities with annual gross revenues from digital advertising services in Maryland of at least \$1 million must file a return by April 15 of the following year. The law establishes that willful failure to file the required return is a misdemeanor that can be punished by a fine of up to \$5,000 and/or imprisonment of up to five years.</p> <p>The statute does not define when digital advertising services take place "in the state"; instead, the General Assembly delegated this authority to the Comptroller, which may be an unlawful delegation of authority that is likely to invite challenge.</p>	Graduated Gross	1/1/2021	<p>Revenue allocated for education purposes through the Blueprint for Maryland's Future Fund.</p> <p>The fiscal and policy note for House Bill 732 of 2020 estimated that annual revenues for the Blueprint for Maryland's Future Fund from the digital advertising gross revenues tax may increase by as much as \$250 million under one set of assumptions.</p>	<p>http://mgaleg.maryland.gov/2020RS/bills/hb/hb0732E.pdf</p>	Passed Both Chambers, Governor Veto, Veto Override (2021)

State Digital Advertising Tax Legislation (2020)

State	Year	House/GA	Senate	Lead Sponsors	Details	Type	Implementation Date	Other	Bill Language	Status
NE	2020	LB 989		Sen. Justin Wayne (D)	<p>Expand Nebraska's existing sales and use tax law to retail sales of "digital advertisements." The bill defines "digital advertisement" as "an advertising message delivered over the Internet that markets or promotes a particular good, service, or political candidate or message." The bill does not contain any mechanism for sourcing digital advertisements to Nebraska. If enacted, sales of digital advertisements would be subject to sales tax, beginning October 1, 2020.</p> <p>The fiscal note estimates that the bill would raise \$27.1 million in revenue for FY 2020-21, \$43.7 million for FY 2021-22, \$47.1 million for FY 2022-23, and \$50.6 million for FY 2023-24.</p>	Sales Tax	10/1/2020	Representatives from the Nebraska Broadcasters Association, the Lincoln Independent Business Association, and the Nebraska Grocery Industry Association, along with a lobbyist representing 29 businesses and associations (including Motion Picture Association, Lincoln Chamber of Commerce, Nebraska Licensed Beverage Association, Nebraska Press Association, Nebraska Broadband Coalition, and Nebraska Retail Federation) testified in opposition to the bill.	https://nebraskalegislature.gov/FloorDocs/106/PDF/Intro/LB989.pdf	Referred to Revenue Committee. Hearing held February 13, 2020. Adjourned sine die.
NY	2019-2020	A10706	S08056-A	<p>Asm. Karines Reyes (D-87)</p> <p>Sen. Michael Gianaris (D-12)</p>	<p>The tax applies to annual gross revenues derived by large firms from digital advertising services in the state. From there, the tax rate increases based on the global annual gross revenues of the entity:</p> <ul style="list-style-type: none"> -2.5% for entities with over \$100 million in global annual gross revenues -5% for entities with over \$1 billion in global annual gross revenues -7.5% for entities with over \$5 billion in global annual gross revenues -10% for entities with over \$15 billion in global annual gross revenues <p>Tax is limited to advertisements "that use personal information about the people the ads are being served to" or customer tracking-based ads.</p>	Graduated Gross Excise Tax	1/1/21		https://nyassemb	In committee. Adjourned sine die.
NY	2019- 2020	A10321	S8166	<p>Sen. Kevin Thomas(D-6)</p> <p>Rep. Daniel Rosenthal (D-27)</p>	The bills would impose a sales tax of digital advertising services in the state, including banner advertising, interstitial advertising, search engine advertising, and other comparable advertising services that market or promote a particular good, service, or political candidate or message. Resales would not be subject to the tax.	Sales Tax	30 Days Following Enactment	Funds allocated toward zero interest student loan refinancing program within the higher education services corporation (HESC).	https://legiscan.com/NY/text/A10321/2019	In committee. Adjourned sine die.
SD	2020	HB 1284		Rep. Caleb Finck (R-21)	<p>Eliminates the state's sales tax exemption for all advertising services (digital and physical).</p>	Sales Tax	N/A	While South Dakota proposed eliminating the sales tax exemption for advertising services, the House of Representatives' Taxation Committee struck the provision from South Dakota House Bill 1284 on February 20, 2020, as Committee members noted that a tax on business inputs causes economic distortion, raises production costs, and places businesses at a competitive disadvantage to those businesses not subject to such taxes.	https://sdlegislature.gov/Session/Bill/12086/68077	Committee hearing held 2/20/20. Provision struck from 2020 tax bill. Adjourned sine die.
WV	2020	HB 4898		Cody Thompson (D-13)	<p>Require "commercial data operators" generating revenue from the use, collection, processing, sale, or sharing of West Virginians' user data to pay the tax at the rate of one cent per dollar of value of user data. The Commissioner would be granted the authority to develop the method to calculate the value of user data.</p> <p>A commercial data operator is "an entity acting in its capacity as a consumer online services provider or data broker that: (A) generates a material amount of revenue from the use, collection, processing, sale, or sharing of the user data; and (B) Has more than 10,000 unique monthly visitors or users in West Virginia for a majority of months during the previous one-year period." "User data" is defined as "any information that identifies, relates to, describes, is capable of being associated with, or could reasonably be linked with an individual user, whether directly submitted to the commercial data operator by the user or derived from the observed activity of the user by the commercial data operator."</p> <p>The bill would require each commercial data operator, at least every 90 days, to provide an assessment of "the economic value that the commercial data operator places on the data of its users," along with identifying the types of data it collects from users and the ways that data is used.</p>	Data Mining Service Tax		Revenue funds targeted towards Public Employees Insurance Agency Financial Stability Fund to stabilize and preserve the future solvency of PEIA.	http://www.wvlegislature.gov/Bill_Text_HTML/2020_SESSIONS/RS/bills/HB4898%20INTR.pdf	Referred to House Judiciary Committee. Adjourned sine die.