



FTA Awards Nomination/Entry Form

Person who led this effort or project

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About your program, idea, or project

Name your program, idea, or project: State of Maryland 30-Day Gas Tax Holiday

What is the problem that you wanted to solve? Midway through the 90 day legislative session of 2022, in an effort to provide residents temporary relief from rapidly rising gasoline prices, the Maryland General Assembly passed emergency legislation providing for a 30-day suspension of Maryland's motor fuel tax. With less than two weeks from introduction to enactment, the staff of the Comptroller of Maryland had to work swiftly to ensure a successful statewide implementation expected to save motorists more than \$100 million. Despite the accelerated time frame, the high visibility of this legislation and the potential to impact motorists throughout the State required that the Comptroller's Office succeed. However, since the motor fuel tax is paid to the State by businesses, we needed to find a solution that would allow station owners to pass on the savings of approximately 36 cents per gallon to the public without financially harming their businesses, since they had purchased the fuel tax-paid.

Who was involved in addressing the problem? Daniel Riley, Director of the Compliance Division, and Chuck Ulm, Director of the Field Enforcement Bureau, led the project. Implementation was a coordinated effort involving staff from the Bureau of Revenue Estimates, Compliance Division, Field Enforcement Bureau, General Accounting Division, Information Technology Division, Office of Communication, and the Revenue Administration Division at the Comptroller's Office, along with industry partners.

How did they go about finding a solution? Tasks were assigned with daily updates provided to the project team. Experienced staff were leveraged to develop legislative, communication, forms, and processing solutions based on the emergency legislation that was effective upon signature by the Governor. Working with industry partners, the idea of an advance refund claim for holders of tax-paid fuel was developed to ensure that gas station owners and other holders could quickly receive an advance refund of the tax paid from the Comptroller's

Office. In turn, this allowed them them to reduce prices at the pump on the day the legislation was signed after taking inventory readings on their tanks.

Describe the outcome. What is the new idea, approach, program, or activity?

Key outcomes of the Gas Tax Holiday included:

- Fiscal impact analysis by Board of Revenue Estimates staff to inform legislators decision regarding the duration of the holiday;
- Input from staff attorneys and the Office of the Attorney General to ensure the terms of the legislation could be operationalized by the Comptroller's Office while fulfilling the legislative intent;
- Developing a two-pronged communication plan to provide information to the industry as well as the general public, which included town halls, press releases, website updates, published FAQs, and training call center staff to answer questions;
- Developing and publishing a new refund claim form for holders of tax-paid motor fuel at the start of the tax holiday;
- Engaging audit, processing, and accounting staff to expedite advance refund claims from over 870 businesses, representing over \$8.5M in refunds to businesses holding tax-paid motor fuel so the benefits of the gas tax holiday could be passed immediately to consumers without financial disruption to the retail sellers;
- Created a new schedule to allow owners of multiple stations/locations to file a consolidated advanced refund claim;
- Updating and revising floor tax forms for business reporting at the end of the tax holiday;
- An estimated \$100 million in savings for Maryland motorists from March 18 – April 16, 2022.

What has changed since this was implemented? How have your operations improved? Include any data, analytics or metrics that would show the value of your program. Don't forget management advantages such as improved morale.

Positive feedback from legislators, industry partners, and members of the public were all very rewarding for staff who worked overtime to design, develop, operationalize, and publicize the entire program in less than two weeks. The agency continues to process refund claims and floor tax returns as they are received. As stated above, over \$8.5M in temporary refun

Is there any component of your program that makes it workable only in your state or city?

Another agency with a similar tax type or this kind of problem could adapt or adopt this idea.

Is this an in-house project, or did you partner with an outside vendor or service-provider?

100% in-house

What comes next – will you be adding to your program, rolling it out more widely, trying additional approaches?

The legislature adjourned without extending Maryland's gas tax holiday putting a definite end date on this particular program. However, the project served as another exercise in cooperation among divisions and successful management to implement initiatives thrust upon the agency by the legislature to serve the people of Maryland in times of need.

Additional Optional Materials

Website/Documentation URL (Must be publicly accessible) <https://www.marylandtaxes.gov/gas-tax-holiday/>

Documentation Upload

-  03-18-2022-Comptroller-Announces-30-Day-...
-  779-R.pdf
-  779-RM.pdf
-  779.pdf
-  Maryland-Consumer-FAQ-Gas-Tax-Holiday.pdf