

News Release

Comptroller Calls on Governor, Presiding Officers to Convene Special Session to Stop \$200M Increase to State Gas Tax

*Amid soaring fuel prices, Franchot renews call for a
gas tax holiday*

ANNAPOLIS, Md. (May 24, 2022) — Comptroller Peter Franchot today sent a letter to Governor Larry Hogan, Senate President Bill Ferguson and House Speaker Adrienne Jones urging them to convene a special session of the Maryland General Assembly to pass emergency legislation granting the Comptroller the authority to waive the 18% increase to the state gas tax, scheduled to be implemented on July 1.

The Comptroller also called on the legislature to pass another state gas tax holiday through September 30, 2022, similar to the 30-day gas tax holiday adopted in March.

At the request of the Governor, the Comptroller's Office reviewed all available regulatory and legal powers to prevent the largest-ever increase -- from 36.1 cents per gallon to 42.7 cents per gallon -- from automatically occurring on July 1. For several days, staff and lawyers within the Comptroller's Office have reviewed state law and determined that no statutory discretion exists for the Comptroller to take unilateral action. The Attorney General's Office has concurred with this assessment.

"While there appears to be continued disagreement between the Governor and my office -- and the Attorney General's interpretation of law -- on whether or not I have existing authority to suspend the automatic increase to the gas tax set to go into effect on July 1, one thing is for certain: the executive and legislative branches have unquestionable authority to prevent an 18% increase to the gas tax -- from 36 cents to 43 cents -- from taking effect," [Franchot wrote in the letter](#). "This amounts

to a new, highly regressive \$200 million tax on Maryland families and small businesses.”

[In his letter](#), the Comptroller indicated that if granted legislative authority to suspend the automatic increase to the gas tax, he intends to do so for one fiscal year, from July 1, 2022 to June 30, 2023.

In several media reports, the Governor’s Office has referenced previous actions taken by Comptroller Franchot to grant extensions for tax filing and payments, including extending the filing and payment deadline for state income taxes from April 15 to July 15 for the past three years. Each of the actions cited by the Governor’s Office are statutorily permitted under current law and do not relate to modifying legislatively-enacted tax rates.

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