

RULES AND REGULATIONS – Outdoor Advertising Excise Tax

The Director of Finance adopts these Rules and Regulations pursuant to Baltimore City Code, Article 28, § 29.

I. Background

Baltimore City Code, Article 28, Subtitle 29, requires that certain businesses pay the outdoor advertising tax as it has been determined that outdoor advertising constitutes a separate distinct activity within the City that affects the use of City streets, sidewalks, and other public places while impacting many private places open to the public. The unregulated display of outdoor advertising constitutes a public nuisance that imposes cost on the City beyond those caused by other activities by harming the health, safety, convenience, and welfare of the residents of the City. The Council has determined that outdoor advertising may harm the City by creating visible clutter and blight and by promoting a negative aesthetic impact in the City in a way that reduces the City's ability to collect revenue from other sources.

The tax imposed advances significant government interests by properly allocating the potential economic burdens caused by outdoor advertising while reducing these harms. The tax is the least restrictive means necessary to achieve these goals.

II. Definitions

A. The Director adopts and incorporates the terms as used in Baltimore City Code, Article 28, § 29.

B. In addition, the terms as used in these Rules and Regulations have the following definitions:

1. "Advertising Host" means the person who owns or controls a billboard, poster board, or other sign; and charges fees for its use as an outdoor advertising display.
2. "Finance Director" or "Director" means the Director of Finance or a designee of the Director of Finance.
3. "Outdoor Advertising Display" means an outdoor display of a 10 square foot or larger image or message that directs attention to a business, commodity, service event or other activity that is sold, offered, or conducted somewhere other than on the premises on which the display is made; and sold offered, or conducted on the premises only incidentally if at all.
4. "Person" means an individual, firm, association, corporation, or other entity of any kind; and a receiver, trustee, guardian, personal representative, fiduciary, or representative of any kind. "person" does not include, unless otherwise expressly provided, a governmental entity or an instrumentality or unit of a governmental entity.
5. "Square foot of advertising imagery" means a square foot of a space occupied by an outdoor advertising display.
6. "Ordinance" means Baltimore City Code, Article 28, Subtitle 29.

III. Tax Imposed and Amount of Tax

- A. The tax is imposed on the privilege of exhibiting outdoor advertising displays in the City.
- B. The annual amount of the tax imposed is \$15.00 per square foot of advertising imagery for an electronic outdoor advertising display that changes images more than once a day or \$5.00 per square foot of advertising imagery for any other outdoor advertising display.
- C. If a single space is used for multiple outdoor advertising displays during the course of one reporting period, the advertising host must pay the annual tax as if the display that would generate the highest tax liability had it been in place for the entire year or pay an additional tax for any other displays in that space.

IV. Application and Payment

- A. All applications must be filed with the Bureau of Revenue Collections, 200 Holliday Street, Wolman Municipal Building, Room 3; Baltimore, Maryland 21202. Any questions should be directed to the Bureau at (410) 361-9690, or at COBBusinessLicense@baltimorecity.gov.
- B. Each advertising host must return the completed application to the Bureau of Revenue Collections on or before July 10th of each year for the proceeding tax year (July 1 through June 30). The application must specify the number of separate spaces made available by the advertising host for the exhibition of outdoor advertising displays and indicate the location and size of each outdoor advertising display displayed in the previous 12 months.
- C. The tax must be paid when the application is returned on or before July 10th.
- D. The advertising host must maintain complete and accurate records of all of its outdoor advertising displays and make these records available during business hours for inspection and audit by the City.
- E. If an advertising host sells or closes all or part of its operation, the application and taxes are due within 3 business days.

V. Tax Determination, Penalties and Fines

- A. If the advertising host fails to pay the outdoor advertising tax, interest will be assessed at the rate of 1% for each month or fraction of a month that the tax is overdue and a penalty of 10% of the amount of the tax due will also be assessed.
- B. If the advertising host fails to report and remit the outdoor tax, the Director of Finance will estimate the amount of the tax that is due and assess interest and penalty.
- C. Estimated payments are due within 10 calendar days from the date of the bill.
- D. The tax, interest and penalties owed are liens on all real and personal property of any advertising host liable for the payment of the outdoor advertising tax.
- E. Any person who violates the outdoor advertising tax law is guilty of a misdemeanor and on conviction, is subject to a fine of up to \$1000.00 or imprisonment for each offense.

These rules and regulations are effective this day of _____, 2014, and have been filed with the City of Baltimore Department of Legislative Reference.

Issued and Approved:

Harry E. Black, Director
Department of Finance

Date