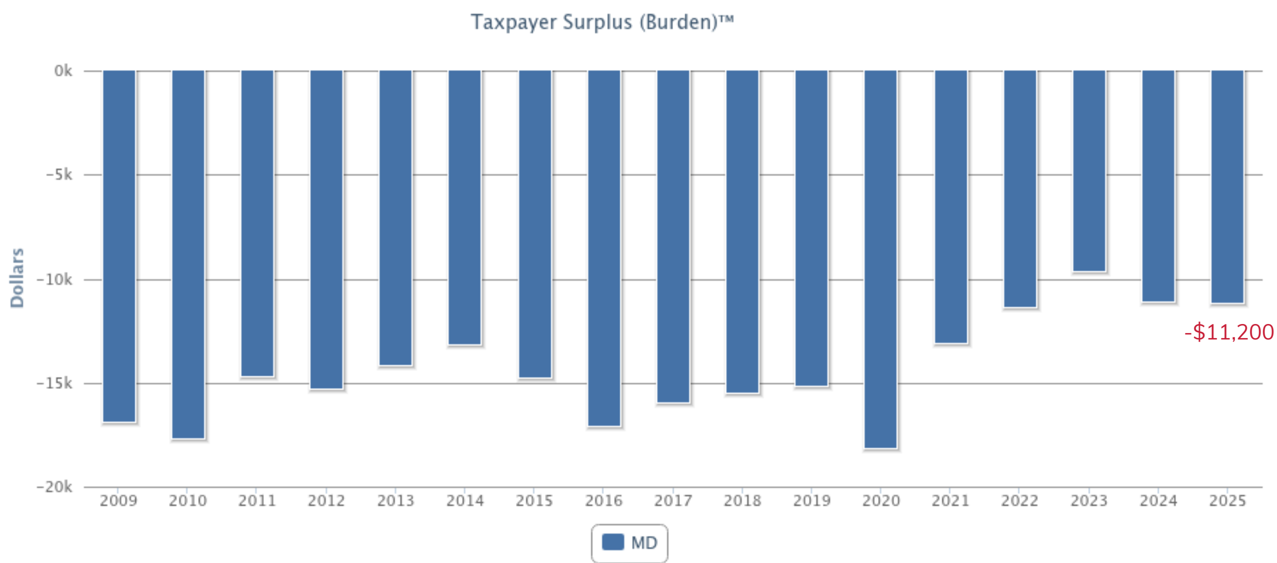
Financial State of Maryland

Money Needed to Pay Bills	**$25.7 billion**
Taxpayer Burden™	**$11,200**
Grade	**D**

Maryland's obligations exceeded its available resources by $25.7 billion, resulting in a Taxpayer Burden of $11,200 and earning a "D" grade from Truth in Accounting.



Maryland's retiree health care obligation decreased by more than $2 billion primarily due to actuarial changes, including updated assumptions that reflect slower expected growth in future healthcare costs. These revisions reduced the reported liability on paper rather than through actual cost reductions. However, this improvement was largely offset by an operating loss during the year, meaning the state's overall financial position did not materially improve despite the reduction in long-term obligations.

Each year, the federal government mandates that entities receiving significant federal funds undergo a Single Audit. This comprehensive examination ensures the proper use of funds, compliance with laws and regulations, and the maintenance of reliable financial records. Maryland's audit found a pervasive breakdown in financial reporting and internal controls, characterized by incomplete accounting records, inadequate documentation, weak reconciliation processes, unsupported federal expenditures, and insufficient oversight. Collectively, these weaknesses increased the risk of material misstatements, noncompliance, and unreliable financial reporting.

The data in this report comes from Maryland's audited 2025 Annual Comprehensive Financial Report and its retirement systems' reports. To explore prior years or compare financial, demographic, and economic data across other states and cities, visit Data-Z.org.

Maryland's Financial Facts

FACT #1:
Maryland had $35.7 billion available to pay $61.4 billion worth of bills.

FACT #2:
The outcome was a $25.7 billion shortfall, which breaks down to a burden of $11,200 per taxpayer.

FACT #3:
Auditors found a $45.9 million discrepancy between federal reports and the Maryland Department of Labor's records that they couldn't verify due to missing documentation, which means they could not verify how federal funds were spent.

The State's Bills Exceeded Its Assets

Total Assets		$94,467,859,000
Minus:	Capital Assets	-$48,374,786,000
	Restricted Assets	-$10,431,131,000
Assets Available to Pay Bills		$35,661,942,000
Minus:	Total Bills*	-$61,372,389,000
Money Needed to Pay Bills		$25,710,447,000
Each Taxpayer's Share of this Burden		$11,200

*Breakdown of Total Bills

Bonds		$27,086,324,000
Other Liabilities		$13,619,579,000
Minus:	Debt Related to Capital Assets	-$14,045,397,000
Unfunded Pension Benefits		$24,613,949,000
Unfunded Retiree Health Care Benefits		$10,097,934,000
Total Bills		$61,372,389,000

Grade:
D

Bottom line:
Maryland would need $11,200 from each of its taxpayers to pay all of its outstanding bills and received a "D" grade for its finances. According to Truth in Accounting's grading scale, any government with a Taxpayer Burden between $5,000 and $20,000 is given a "D" grade.