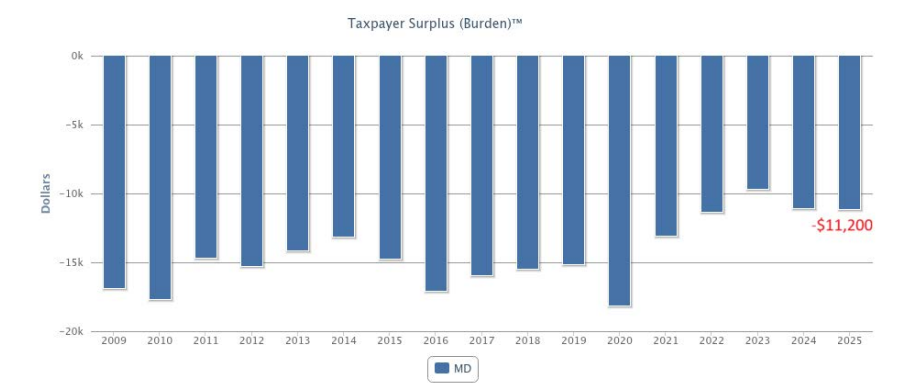


MARYLAND'S FINANCIAL BREAKDOWN

Money Needed to Pay Bills	\$25.7 billion	Ranking (Out of 50)	42
Taxpayer Burden™	\$11,200	Financial Grade	D

Maryland needed more money to pay its bills in 2025, with the shortfall increasing to \$25.7 billion. This resulted in a Taxpayer Burden™ of \$11,200, which led to a “D” grade from Truth in Accounting.

Maryland's retiree health care obligation decreased by more than \$2 billion, primarily because the state revised its assumptions about future health care costs, expecting them to increase more slowly than previously estimated. These revisions reduced the estimated cost of future benefits on paper, rather than through actual reductions in health care costs. However, the improvement was largely offset because the state's expenses exceeded revenues, making Maryland one of only four states where this occurred.



Maryland received approximately \$23.1 billion in federal grants, which represented 31 percent of its revenue. The federal government mandates that entities receiving significant federal funds undergo a Single Audit. These audits are intended to be the taxpayers' first line of defense against potential fraud and abuse. Maryland's audit found widespread problems with financial reporting and oversight, including incomplete records, missing documentation, accounts that were not properly checked, and federal spending that lacked adequate supporting documentation. These weaknesses increased the risk of significant errors, failure to follow federal requirements, and unreliable financial reports.

The data in this report is derived 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:**
Maryland received 31 percent of its revenue from federal grants and was required to undergo a Single Audit, which identified potential fraud and abuse.

THE STATE'S BILLS EXCEEDED ITS ASSETS

\$94,467,859,000	→	Total Assets
- \$48,374,786,000	→	Minus: Capital Assets
- \$10,431,131,000	→	Minus: Restricted Assets
= \$35,661,942,000	→	Assets Available to Pay Bills
- \$61,372,389,000	→	Minus: Total Bills*
= \$25,710,447,000	→	Money Needed to Pay Bills
/ Divide by the estimated number of taxpayers		
= \$11,200	→	Each Taxpayer's Share of This Burden

*BREAKDOWN OF TOTAL BILLS

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



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.