Maryland Financial Breakdown

Fast Facts

- Maryland had $20.2 billion available to pay $54 billion worth of bills.
- The outcome was a $33.8 billion shortfall, which breaks down to a burden of $15,200 per taxpayer.
- This means that each taxpayer would have to pay $15,200 in future taxes for which they would receive no related services or benefits.

The data included in this report is derived from the state of Maryland’s 2019 audited Comprehensive Annual Financial Report and retirement plans’ reports. To compare states’ financial information go to Data-Z.org.

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Prior to Pandemic

September 2020

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Financial State of Maryland

This report shows that Maryland went into the coronavirus pandemic in poor fiscal health, and it will probably come out of the crisis even worse. Based upon the state’s latest audited financial report, which is dated before the crisis began, Maryland had a Taxpayer Burden™ of $15,200, earning it a “D” grade from Truth in Accounting.

Maryland’s elected officials have made repeated financial decisions that left the state with a debt burden of $33.8 billion. That burden equates to $15,200 for every state taxpayer. Maryland’s financial problems stem mostly from unfunded retirement obligations that have accumulated over the years. Of the $86.5 billion in retirement benefits promised, the state did not fund $20.3 billion in pension and $15 billion in retiree health care benefits.

Maryland did not have enough money set aside to weather the current pandemic and fluctuations in the market. According to rough estimates by Truth in Accounting, Maryland is projected to lose $9 billion in revenue as a result of this crisis. The uncertainty surrounding this crisis makes it impossible to determine how much will be needed to maintain government services and benefits, but Maryland’s overall debt will most likely increase.

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Grade:

Bottom line: Maryland needed $15,200 from each of its taxpayers to pay all of its bills, so it received a “D” for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Burden between $5,000 and $20,000 receives a “D.”

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