



# News Release

## Board of Revenue Estimates Approves Forecasts for FY 2026 and FY 2027

*Updated forecasts align with September revenue estimates*

**ANNAPOLIS, Md. (December 12, 2025) — The Maryland Board of Revenue Estimates** today voted to slightly adjust state revenue projections for Fiscal Year 2026 (FY 26) to \$26.76 billion, a .34% increase from the previous Fiscal Year 2026 (FY 26) estimate. The approved forecast also increases revenues by almost \$10 million during FY 27, making December's estimate largely consistent with the September estimate. Overall, the forecast remains relatively unchanged from the September projections.

The slight recalibration for FY 2026 is primarily driven by increased personal income tax collections and other miscellaneous revenue sources, including the estate tax and interest income. Corporate taxes and sales taxes were generally lower. **Comptroller Brooke E. Lierman**, who chairs the Board, noted that Maryland is not immune to the economic headwinds and broader affordability challenges affecting low and middle-income individuals and families nationally.

"We're living in what many economists call a K-shaped economy, where wealthier households continue to thrive while others are falling further and further behind," **Comptroller Lierman said**. "Because Maryland has a large number of high-income households, families who own homes, have investment portfolios, and pay taxes on capital gains, their economic activity can mask the struggles of those on the downward layer of the K."

Comptroller Lierman highlighted that families are contending with higher costs for everyday goods and necessities like housing, which could have significant economic consequences for the nation and our state.

"Instability among middle-income families will eventually impact our broader revenue streams; sales and use revenue, withholding revenue, and other sources that support

our budget,” Comptroller Lierman added. “The K-shaped economy is simply not sustainable for our economy or society.”

Bureau of Revenue Estimates Director **Robert Rehrmann** shared that there are several layers of uncertainty that could influence the March forecast, including the impact of state and federal tax changes, limited data from the federal government due to the 43-day government shutdown, and the impact of federal policy changes, including tariffs and the end of the Deferred Resignation Program for federal employees.

“As always, we’re going to continue to monitor our economic data and tax data, and make appropriate adjustments as necessary in March,” Director Rehrmann shared.

The forecasts approved by the BRE reflect revenue sources contributing to Maryland’s General Fund, including personal income, corporate, and sales and use taxes. The BRE’s forecast is based on the most up-to-date information, including year-to-date revenue data, projections from national economic consulting firms, and econometric models. Materials from the Board of Revenue Estimates meeting can be found at <https://mdbre.gov/revenue-estimates.php>.

The next meeting of the Board of Revenue Estimates is scheduled for **March 11, 2026, at 2:00 p.m.**

The members of the Board of Revenue Estimates are: Comptroller Brooke E. Lierman, Chair; Treasurer Dereck E. Davis; Department of Budget and Management Secretary Jake Weissmann; and Bureau of Revenue Estimates Director Robert J. Rehrmann, Executive Secretary.

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