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Clear Channel Outdoor, Inc. v. Mayor and City Council of Baltimore

United States District Court, D. Maryland - May 19, 2014 - Not Reported in F.Supp.2d - 2014 WL 2094028

The City of Baltimore enacted an ordinance imposing a charge on outdoor advertising displays. Clear Channel Outdoor, Inc., an outdoor media company, alleged that the ordinance imposing the charge impermissibly regulated commercial speech in violation of the First and Fourteenth Amendments to the United States Constitution.

Principally at issue was (1) whether the charge constituted a tax under the Tax Injunction Act (the "TIA"), 28 U.S.C. § 1341 (2012), and (2) whether charging outdoor advertising displays directly advanced the government's interests in traffic safety and aesthetics as required by the First Amendment.

The District Court found that the ordinance is a fee, not a tax, for the purposes of the TIA. Regarding the First Amendment issue, the court found a legitimate question as to whether charging displays directly advances the government's interests in traffic safety and aesthetics, denying the City's motion to dismiss.