

Indirect/Sales/Use:

Maryland: Proposed Rules Reflect Taxation of Digital Products Under Legislation Enacted in 2021

Proposed Regs. Sections 03.06.01.01, 03.06.01.03, 03.06.01.04, et al., Md. Comptroller (5/6/22). Following Maryland's 2021 enactment of legislation that subjects certain defined "digital products" to Maryland sales and use tax [see H.B. 932 (2020), and *State Tax Matters*, Issue 2021-7, for more details on this new law], as well as subsequently enacted legislation that includes some taxable "digital product" carveouts [see S.B. 787 (2021), and recently issued Multistate Tax Alert for more details on this new law], the Maryland Comptroller of the Treasury (Comptroller) issued proposed rules reflecting the law changes, specifically corresponding edits to various state sales and use tax exemptions and exclusions. According to the Comptroller, comments on these proposed rule changes will be accepted through June 6, 2022, and a public hearing has not been scheduled. Please contact us with any questions.

URL: <http://www.dsd.state.md.us/MDR/4910/Assembled.htm>

URL: <http://mgaleg.maryland.gov/mgaweb/Legislation/Details/HB0932?ys=2020RS>

URL: https://dhub.blob.core.windows.net/dhub/Newsletters/Tax/2021/STM/210219_11.html

URL: <http://mgaleg.maryland.gov/mgaweb/Legislation/Details/sb0787?ys=2021RS>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-mta-maryland-enacts-emergency-bill-addressing-taxation-of-digital-advertising-and-digital-products.pdf>

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