



News Release

Maryland Office of the Comptroller Highlights Tax Changes Beginning Today

Agency provides guidance for businesses on new sales and use tax; additional cannabis tax revenue to go to general fund

ANNAPOLIS, Md. (July 1, 2025) — The Maryland Comptroller is reminding businesses that the new 3% sales and use tax on certain data and IT services goes into effect today, July 1, 2025. The tax was included in [budget legislation passed](#) during the most recent legislative session.

The agency has provided comprehensive guidance on its website to help businesses understand the nuances of the new sales and use tax changes. The agency has published two technical bulletins that are available online: a [revised Technical Bulletin 56](#), which contains questions and answers on the application of sales and use tax to data or information technology services and system software or application software publishing services; and [Technical Bulletin 54](#), which provides additional clarity on multiple points of use certificates.

Additionally, the Office of the Comptroller has engaged in extensive outreach by hosting several webinars, [creating a dedicated webpage](#), delivering flyers across the state, and launching a paid social media campaign to encourage potentially impacted businesses to take steps to prepare for tax changes taking effect today.

Last month, the agency submitted [emergency regulations](#) to comply with the July 1 effective date. The Comptroller's Office intends to promulgate final regulations in November 2025, which will include an opportunity for businesses to provide feedback during the formal 30-day notice and comment period.

Businesses collecting the new IT and data sales and use tax will be able to file utilizing the agency's [Maryland Tax Connect](#) platform.

Emergency regulations stay in effect for a maximum of 180 days. During this period, the Office of the Comptroller will submit final regulations through the standard process, which includes submitting the final regulations to the Joint Committee on Administrative, Executive and Legislative Review, publication in the Maryland Register, and a public

notice and comment period. Any business with questions or comments about emergency regulations can email CompMDLegal@marylandtaxes.gov. Businesses with specific questions about their particular tax circumstances are encouraged to consult with a tax professional.

Additionally, the 2025 budget legislation increased the sales and use tax for adult-use cannabis in Maryland from 9% to 12%, effective today. According to the legislation, the additional 3% in tax revenue will go to the general fund. The latest cannabis sales and use tax revenue reports can be found at <https://www.marylandcomptroller.gov/reports.html>.

The Office of the Comptroller encourages businesses to review the agency's library of resources as they navigate the new sales and use and other tax changes. Those resources can be found at <https://www.marylandcomptroller.gov/2025TaxUpdates.html>.

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