MARYLAND FORM 202 SALES AND USE TAX RETURN INSTRUCTIONS

Instruction A. For use by cannabis dispensaries and on-site cannabis consumption businesses.

Senate Bill 516 of 2023 establishes that the sales and use tax applies at a rate of 12% to the retail sales of cannabis and cannabis products. Cannabis dispensaries and on-site cannabis consumption businesses are required to collect and remit sales tax on retail sales of cannabis. If you are reporting sales of cannabis on Line 15, or taxable purchases on Line 31, you must check the appropriate box and provide the physical location address and political subdivision from which you made the cannabis sale or purchases for use. A separate sales and use tax account is required for each retail location. Cannabis businesses are not permitted to consolidate reporting of sales and use tax from multiple locations under a single account. A cannabis business that makes deliveries may report delivery sales on the same sales and use tax account it reports sales at its retail location. **Note for cannabis businesses making delivery sales:** the location of cannabis sales must be reported based on the delivery address. See special instructions at Line 15 for reporting your delivery sales and tax collected using Form 202DLV.

1. Check the appropriate box if you are a reporting amounts from cannabis retail sales on Line 15 or purchases for use (such as display items which will not be sold to a customer) by your business on Line 31.
2. Find the 4 Digit Political Subdivision Code in the LIST OF INCORPORATED CITIES, TOWNS AND TAXING AREAS IN MARYLAND and enter this number on the 4 DIGIT POLITICAL SUBDIVISION CODE line. When selecting the 4 Digit Political Subdivision Code, be sure that you have selected the proper political subdivision from the LIST OF INCORPORATED CITIES, TOWNS AND TAXING AREAS IN MARYLAND. Do not rely on the ZIP Code + 4 to identify the proper political subdivision. For example, most addresses within the ZIP Code of Upper Marlboro are not in the political subdivision of the Town of Upper Marlboro. Therefore, entering the Town of Upper Marlboro on the 4 DIGIT POLITICAL SUBDIVISION CODE line for those with a ZIP Code in Upper Marlboro may not be correct. Also, some political subdivisions have similar names such as Bel Air in Allegany County and Town of Bel Air in Harford County or Town of Chevy Chase and Town of Chevy Chase View. Contact your county seat for further information relating to the incorporated boundaries of incorporated cities, towns, and taxing areas in your county.
3. If your sales of cannabis or purchases for use were made at a retail location within the incorporated tax boundaries of one of the areas listed under your county as found in the LIST OF INCORPORATED CITIES, TOWNS, AND TAXING AREAS IN MARYLAND, write the name of the city, town, or taxing area on the MARYLAND POLITICAL SUBDIVISION line. If your sales of cannabis or purchases for use were not made within the incorporated tax boundaries of one of the areas listed under your county as found in the LIST OF INCORPORATED CITIES, TOWNS AND TAXING AREAS IN MARYLAND, write the name of the county on the MARYLAND POLITICAL SUBDIVISION line. If your business location is in Baltimore City, enter "Baltimore City" on the MARYLAND POLITICAL SUBDIVISION line. For additional information on your Maryland political subdivision, contact your locality or the Maryland Department of Planning. **NOTE:** if you made sales by delivery, you must use Form 202DLV to report sales delivered to customers.
4. Enter the street number and street name on MARYLAND PHYSICAL LOCATION ADDRESS LINE 1. DO NOT ENTER A PO BOX NUMBER.
5. If applicable, enter the floor, suite or apartment number on MARYLAND PHYSICAL LOCATION ADDRESS LINE 2. DO NOT ENTER A PO BOX NUMBER.
6. Enter the city or town in which the sales of cannabis or purchases for use were made on the CITY line.
7. Enter the ZIP Code + 4 in which the sales of cannabis or purchases for use were made on the ZIP Code + 4 line.
8. Enter the name of the county in which the sales of cannabis or purchases for use were made on the MARYLAND COUNTY line. If your business location is in Baltimore City, leave the MARYLAND COUNTY line blank.

LIST OF POLITICAL SUBDIVISION CODES OF INCORPORATED CITIES, TOWNS AND TAXING AREAS IN MARYLAND

ALLEGANY COUNTY 0100
Town of Barton 0101
Bel Air 0112
Bowling Green 0115
Cresaptown 0108
City of Cumberland . . . 0102
Ellerslie 0113
City of Frostburg 0103
LaVale 0110
Town of Lonaconing . . . 0104
Town of Luke 0105
McCoole 0114
Town of Midland 0106
Mt. Savage 0111
Potomac Park 0109
Town of Westernport . . 0107

ANNE ARUNDEL COUNTY 0200
City of Annapolis 0201
Town of Highland Beach 0203

BALTIMORE COUNTY 0300
(No incorporated cities or towns)

BALTIMORE CITY . . 0400

CALVERT COUNTY 0500
Town of Chesapeake Beach 0501
Town of North Beach . . 0502

CAROLINE COUNTY 0600
Town of Denton 0602
Town of Federalsburg . . 0603
Town of Goldsboro 0604
Town of Greensboro . . . 0605
Town of Henderson 0611
Town of Hillsboro 0606
Town of Marydel 0607
Town of Preston 0608
Town of Ridgely 0609
Town of Templeville . . . 0610

CARROLL COUNTY 0700
Town of Hampstead . . . 0701
Town of Manchester . . . 0702
Town of Mt. Airy 0703
Town of New Windsor . . 0704
Town of Sykesville 0705
City of Taneytown 0706
Town of Union Bridge . . 0707
City of Westminster . . . 0709

CECIL COUNTY 0800
Town of Cecilton 0801
Town of Charlestown . . 0802
Town of Chesapeake City 0803
Town of Elkton 0804
Town of North East 0805
Town of Perryville 0806
Town of Port Deposit . . . 0807
Town of Rising Sun 0808

CHARLES COUNTY 0900
Town of Indian Head . . . 0901
Town of La Plata 0902
Port Tobacco Village . . . 0903

DORCHESTER COUNTY 1000
Town of Brookview 1008
City of Cambridge 1001
Town of Church Creek . . 1002
Town of East New Market 1003
Town of Eldorado 1007
Town of Galestown 1009
Town of Hurlock 1004
Town of Secretary 1005
Town of Vienna 1006

FREDERICK COUNTY 1100
City of Brunswick 1101
Town of Burkittsville . . . 1102
Town of Emmitsburg . . . 1103
City of Frederick 1104
Town of Middletown . . . 1106
Town of Mt. Airy 1114
Town of Myersville 1107
Town of New Market . . . 1108
Village of Rosemont . . . 1113
Town of Thurmont 1110
Town of Walkersville . . . 1111
Town of Woodsboro . . . 1112

GARRETT COUNTY . . 1200
Town of Accident 1201
Town of Deer Park 1203
Town of Friendsville . . . 1204
Town of Grantsville 1205
Town of Kitzmiller 1206
Town of Loch Lynn Heights 1207
Town of Mountain Lake Park 1208
Town of Oakland 1209

HARFORD COUNTY . 1300
City of Aberdeen 1301
Town of Bel Air 1302
City of Havre de Grace . 1303

HOWARD COUNTY . . 1400
(No incorporated cities or towns)

KENT COUNTY 1500
Town of Betterton 1501
Town of Chestertown . . 1502
Town of Galena 1503
Town of Millington 1504
Town of Rock Hall 1505

MONTGOMERY COUNTY 1600
Town of Barnesville . . . 1601
Town of Brookeville . . . 1602
Town of Chevy Chase . . 1615
Section 3 of the Village of Chevy Chase 1614
Section 5 of the Village of Chevy Chase 1616
Town of Chevy Chase View 1617
Chevy Chase Village . . . 1613
Village of Drummond . . 1623
Village of Friendship Heights 1621
City of Gaithersburg . . . 1603
Town of Garrett Park . . 1604
Town of Glen Echo 1605
Town of Kensington . . . 1606
Town of Laytonsville . . . 1607
Village of Martin's Additions 1622
Village of North Chevy Chase 1618
Town of Oakmont 1619
Town of Poolesville 1608
City of Rockville 1609
Town of Somerset 1610
City of Takoma Park . . . 1611
Town of Washington Grove 1612

PRINCE GEORGE'S COUNTY 1700
Town of Berwyn Heights 1701
Town of Bladensburg . . 1702
City of Bowie 1704
Town of Brentwood 1705
Town of Capitol Heights 1706
Town of Cheverly 1707
City of College Park . . . 1725
Town of Colmar Manor . 1708
Town of Cottage City . . 1709
City of District Heights . 1710
Town of Eagle Harbor . . 1711
Town of Edmonston . . . 1712
Town of Fairmount Heights 1713
Town of Forest Heights 1728
City of Glenarden 1730
City of Greenbelt 1714
City of Hyattsville 1715
Town of Landover Hills . 1726
City of Laurel 1716
Town of Morningside . . . 1727
City of Mt. Rainier 1717
City of New Carrollton . . 1729
Town of North Brentwood 1718
Town of Riverdale Park 1720
City of Seat Pleasant . . 1721
Town of University Park 1723
Town of Upper Marlboro 1724

QUEEN ANNE'S COUNTY 1800
Town of Barclay 1805
Town of Centreville 1801
Town of Church Hill . . . 1802
Town of Millington 1808
Town of Queen Anne . . . 1807
Town of Queenstown . . 1803
Town of Sudlersville . . . 1804
Town of Templeville . . . 1806

ST. MARY'S COUNTY 1900
Town of Leonardtown . . 1902

SOMERSET COUNTY 2000
City of Crisfield 2001
Town of Princess Anne . 2002

TALBOT COUNTY 2100
Town of Easton 2101
Town of Oxford 2102
Town of Queen Anne . . . 2105
Town of St. Michaels . . . 2103
Town of Trappe 2104

WASHINGTON COUNTY 2200
Town of Boonsboro 2201
Town of Clearspring . . . 2202
Town of Funkstown 2203
City of Hagerstown 2204
Town of Hancock 2205
Town of Keedysville . . . 2206
Town of Sharpsburg . . . 2207
Town of Smithsburg . . . 2208
Town of Williamsport . . 2209

WICOMICO COUNTY 2300
Town of Delmar 2301
City of Fruitland 2308
Town of Hebron 2302
Town of Mardela Springs 2303
Town of Pittsville 2307
City of Salisbury 2304
Town of Sharptown 2305
Town of Willards 2306

WORCESTER COUNTY 2400
Town of Berlin 2401
Town of Ocean City . . . 2402
Pocomoke City 2403
Town of Snow Hill 2404

Line 1 **Check the box** if you engage in the business of a marketplace facilitator. **If the box is checked you must complete Form 202F.** Marketplace facilitator means a person that (i) facilitates a retail sale by a marketplace seller by listing or advertising for sale in a marketplace tangible personal property; and (ii) regardless of whether the person receives compensation or other consideration in exchange for the person's services, directly or indirectly through agreements with third parties, collects payments from a buyer and transmits the payment to the marketplace seller. Marketplace facilitator does not include (i) a platform or forum that exclusively provides internet advertising services, including listing products for sale, if the platform or forum does not also engage, directly or indirectly, in collecting payment from a buyer and transmitting that payment to the vendor; (ii) a payment processor business appointed by a vendor to handle payment transactions from clients, including credit cards and debit cards, whose only activity with respect to marketplace sales is to handle transactions between two parties; (iii) a peer-to-peer car sharing program; or (iv) a delivery service company that delivers tangible personal property on behalf of a marketplace seller that is engaged in the business of a retail vendor and holds a certain license. Marketplace seller means a person that makes a retail sale or sale for use through a physical or electronic marketplace operated by a marketplace facilitator. As of July 1, 2024, the sales and use tax applies to home amenity rentals. For additional information about home amenity rentals, see Technical Bulletin No. 46.

Amended Return - **Check the box:** To correct an error in a previously filed return, check the amended return box on page 1 and complete the entire return, where applicable, including amended figures.

Line 2 **Check the box** if you are a person that engages in the business of an out-of-state vendor and in the prior calendar year or the current calendar year either (1) exceeded $100,000 in gross revenue from the sale of tangible personal property or taxable services delivered in the State; or (2) sold tangible personal property or taxable services for delivery into the State in 200 or more separate transactions. **If you are a marketplace facilitator and engage in the business of an out-of-state vendor with sales in the previous calendar year that exceed the listed threshold amounts, you should check both box 1 and box 2.**

Line 3 **Gross sales**
Enter the total amount of all your taxable and nontaxable sales and rentals of tangible personal property and of your taxable services. These are your total direct sales. Do not include any facilitated sales or tax collected in this figure. Enter whole dollars only.

Line 4 **Sales subject to 6% rate**
In box 4a Enter the amount of sales that are subject to tax at the 6% rate.

Note: If the gross sales on Line 3 include sales of modular homes or gross receipts from vending machine sales; or if you are a marina which sells dyed diesel fuel; or if you are a hotel: see the applicable sales tax information at **marylandcomptroller.gov** to determine the appropriate percentage of sales to use in computing the 6% tax. Do **not** include the amount of any sales of the following items in box 4a: (1) digital products and digital codes (reported separately in box 5a); (2) electricity at an electric vehicle charging station, or electricity used to charge an electric vehicle that is not sold under a residential or domestic rate schedule on file with the Public Service Commission (reported separately in box 6a); or (3) racehorses sold after a claiming race (reported separately in box 7a).

In box 4 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales subject to the 6% tax rate, less any tax which you properly refunded to your customers for canceled sales. Do not include sales and use tax collected for facilitated sales, which is reported on Form 202F.

Line 5 **Sales of digital products and digital code subject to 6% rate**

In box 5a Enter the amount of sales of digital products and digital code that are subject to tax at the 6% rate. For information on what qualifies as a digital product, see Business Tax Tip #29 Sales of Digital Products and Digital Code on **marylandcomptroller.gov**.

In box 5 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales of digital products and digital code subject to the 6% tax rate, less any tax which you properly refunded to your customers for canceled sales. Do not include sales and use tax collected for facilitated sales of digital products and digital code, which is reported on Form 202F.

Line 6 **Sales of electricity for charging electric vehicles subject to 6% rate**

In box 6a Enter the amount of sales of electricity for charging electric vehicles that are subject to tax at the 6% rate. This includes the sale of electricity at an electric vehicle charging station or the sale of electricity used to charge an electric vehicle that is **not** sold under a residential or domestic rate schedule on file with the Public Service Commission.

In box 6 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales of electricity for the charging of electric vehicles, less any tax which you properly refunded to your customers for canceled sales. Do not include sales and use tax collected for facilitated sales of electricity for the charging of electric vehicles, which is reported on Form 202F.

Line 7 **Sales of racehorses following claiming races subject to 6% rate**

In box 7a Enter the amount of sales of racehorses following claiming races that are subject to the 6% rate.

In box 7 Enter the amount of sales and use tax you collected or should have collected on sales of racehorses following claiming races.

Line 8 **Sales of tobacco pipes subject to 12% rate**

In box 8a Enter the amount of sales of tobacco pipes that are subject to tax at the 12% rate.

In box 8 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales of tobacco pipes subject to the 12% tax rate, less any tax which you properly refunded to your customers for canceled sales. Do not include sales and use tax collected for facilitated sales of tobacco pipes which is reported on Form 202F.

Line 9 **Sales of ESDs and vaping liquid subject to 20% rate**

In box 9a Enter the amount of sales of electronic smoking devices (ESDs) that are subject to tax at the 20% rate. ESDs include vaping liquid that does not contain cannabis and is sold in a container that contains **over 5mL** of vaping liquid. Vaping liquid that contains cannabis (the plant Cannabis sativa L. and any part of the plant, including all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9- tetrahydrocannabinol concentration greater than 0.3% on a dry weight basis), regardless of container size, is taxed as a cannabis product.

In box 9 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales of ESDs and vaping liquid subject to the 20% tax rate, less any tax which you properly refunded to your customers for canceled sales. Do not include sales and use tax collected for facilitated sales of ESDs and vaping liquid which is reported on Form 202F.

Line 10 Sales of vaping liquid subject to 60% rate

In box 10a Enter the amount of sales of vaping liquid that does not contain cannabis and is sold in a contain er that contains 5mL or less of vaping liquid that are subject to tax at the 60% rate. Vaping liquid that contains cannabis (the plant Cannabis sativa L. and any part of the plant, including all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of iso mers, whether growing or not, with a delta-9-tetrahy drocannabinol concentration greater than 0.3% on a dry weight basis), regardless of container size, is taxed as a cannabis product.

In box 10 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales of vaping liquid that does not contain cannabis and is sold in a container that contains 5mL or less of vaping liquid subject to the 60% tax rate, less any tax which you properly refunded to your customers for canceled sales. Do not include sales and use tax collected for facilitated sales of vaping liquid in a container that contains less than 5mL of vaping liquid, which is reported on Form 202F.

Line 11 Car and motorcycle rentals and peer-to-peer car sharing subject to 11.5% rate

In box 11a Enter the amount of short-term car and motorcycle rentals and peer-to-peer car sharing subject to tax at the 11.5% rate. Peer-to-peer car sharing is subject to tax at the 11.5% rate if the vehicle (i.e., a passenger car, a multipurpose passenger vehicle, or a motorcycle) is part of a fleet of vehicles that includes more than 10 vehicles owned by the same person.

In box 11 Enter the actual amount of tax you collected or should have collected on your car and motorcycle rental and peer-to-peer car sharing receipts, less any tax which you properly refunded to your customers for canceled sales.

Line 12 Truck rentals and peer-to-peer car sharing subject to 8% rate

In box 12a Enter the amount of short-term truck rentals and peer-to-peer car sharing subject to 8% rate. Peer-to-peer car sharing is subject to tax at the 8% rate if it is not subject to tax at the 11.5% rate. See the instructions for Line 11.

In box 12 Enter the actual amount of tax you collected or should have collected on your truck rental and peer-to-peer car sharing receipts, less any taxes you properly refunded to your customers for canceled sales.

Line 13 Tax Due on Short-Term Rentals
Enter the sum of the tax shown in boxes 11 and 12.

Line 14 Sales of alcoholic beverages subject to 9% rate

In box 14a Enter the amount of sales of alcoholic beverages that are subject to tax at the 9% rate.

In box 14 Enter the actual amount of tax you collected or should have collected on the sales of alcoholic beverages, less any taxes you properly refunded to your customers for canceled sales.

Line 15 Sales of cannabis products subject to 12% rate

Under Senate Bill 516 of 2023, sales of cannabis and cannibis products are subject to sales and use tax.

"Cannabis" includes: cannabis; cannabis concentrate; cannabis infused products; and cannabis products, seeds, seedlings, immature plants, and clones.

NOTE: CANNABIS BUSINESSES MAKING DELIVERY SALES MUST REPORT ALL DELIVERY SALES OF CANNABIS AND CANNABIS PRODUCTS AND ALL APPLICABLE SALES AND USE TAX ON FORM 202DLV BY POLITICAL SUBDIVISION. Check the box if you are a cannabis business that makes delivery sales and complete Form 202DLV. Delivery sales of cannabis and cannabis products and the corresponding sales and use tax collected may not be reported in boxes 15A and 15. Sales and use tax due on delivery sales is reported on the 202 DLV and on line 17c.

Enter the Maryland Cannabis Administration (MCA) license number on line 15.

In box 15a Enter the amount of sales of cannabis products at a retail location that are subject to the 12% rate. Do not include delivery sales.

In box 15 Enter the actual amount of tax you collected or should have collected on the sales of cannabis products at a retail location, less any tax you properly refunded to your customers for canceled sales.

Line 16 Sales of certain data services, certain information technology services, and certain softwar publishing services subject to 3% rate

In box 16a Enter the amount of sales of data services and information technology services described under NAICS Sectors 518, 519, and Subsector 5415 and system software publishing services and application software publishing services described under NAICS Subsector 5132 that are subject to tax at the 3% rate.

<u>Data services and information technology services described under NAICS Sector 518, subject to the 3% rate include the following services:</u> application hosting excluding software publishing, automated data processing, cloud computing (except software publishing and computer systems design), cloud storage, co-location in data centers (i.e. rental of server and networking space in data centers), computer data storage, computer input preparation, computer time leasing, computer time rental, computer time sharing, computing infrastructure provision, computing platform infrastructure provision, data capture imaging, data entry, data processing computer services (except payroll services, financial transaction processing services), disk and diskette conversion, disk and diskette recertification, electronic data processing, game server hosting, infrastructure as a service (IaaS), media streaming data storage, media streaming technical support, microfiche recording and imaging, microfilm recording and imaging, optical scanning, platform as a service (PaaS), video and audio technical streaming support, video tape and film stock technical streaming support, virtual currency (cryptocurrency) mining, and web hosting excluding software publishing.

<u>Data services and information technology services described under NAICS Subsector 519 subject to the 3% rate include the following services:</u> archives, bookmobiles,

Line 16, cont.

centers for documentation (i.e., archives), circulat ing libraries, film archives, lending libraries, librar ies, except motion picture stock footage, motion picture commercial distribution motion picture film libraries, music archives, reference libraries, news clipping services, internet search portals, internet search websites, news clipping services, press clipping services, provision of stock photos, telephone-based recorded information services, title search services (excluding real estate), and web search portals.

Data services and information technology services described under NAICS Subsector 5415 subject to the 3% rate include the following services: custom computer application software programming, custom computer program or software development, custom comput er programming services, custom computer software analysis and design, custom search engine optimization (SEO) except hosting and infrastructure support, custom software programming, custom computer soft ware support, custom webpage design services, industrial robot automation applications/software design and development, industrial robot programming, machine vision software design and development, material handling robot applications/software design and development, welding robot applications/software design and development, audio visual and IT (information technology) systems integration design, CAD (computer-aided design) systems integration design, CAE (computer-aided engineering) systems integration design, CAM (computer-aided manufacturing) systems integration design, computer hardware consulting, computer software consulting, computer systems integration analysis and design, computer systems integration design consulting, computer systems integrator, information management computer systems integration design, local area network (LAN) computer systems integration design, computer network systems integration design, office automation computer systems integration design, computer systems data processing facilities (i.e., client's facilities) management and operation, computer systems or data processing facilities (i.e., client's facilities) support, computer recovery, and computer software installation.

System software publishing services and application software publishing services described under NAICS Subsector 5132 subject to the 3% rate include the following services: applications development and publishing except on a custom basis, packaged computer applications software, packaged computer software publishing, computer software publishing and reproduction, publishing computer software for games, gaming site publishing, mobile applications development and publishing (except on a custom basis), packaged computer operating systems software, packaged programming language and compiler software publishing, software publishing, packaged software publishing, and packaged computer utility software.

For additional information describing data services, information technology services, system software publishing services, and application software publishing services described in the North American Industrial Classification System, United States Manual, 2022 Edition, visit www.census.gov/naics/ and use the 2022 NAICS search for Sectors 518 and 519 and Subsectors 5415 and 5132 and classification details included in each sector's or subsector's industry groups, NAICS industries, and national industries. For general information on the taxability of data services, information technology services, system soft software publishing services, and application software publishing services, visit **marylandcomptroller.gov.**

Notes: See **marylandcomptroller.gov** for informationon exempt sales of cloud computing services to qualified cybersecurity businesses, and exempt sales to or by a qualified company located in the University of Maryland's Discovery District in Prince George's County.

If a different rate could be applied to a sale or use of tangible personal property, a digital code, a digital product, or a taxable service, the higher rate shall apply to the sale. Visit **marylandcomptroller.gov** for more information on sales and use tax rates.

In box 16 Enter the actual amount of tax you collected or should have collected on sales of data services and information technology services described under NAICS Sectors 518 and 519 and Subsector 5415 and system software publishing services and application software publishing services described under NAICS Subsector 5132 that are subject to tax at the 3% rate, less any tax you properly refunded to your customers for canceled sales.

Line 17 **In box 17a**
Add Lines 4 through 10 and 13 through 16 and enter the total on this line.

In box 17b Enter amount shown on Line 13 from Form 202F.

In box 17c Enter amount shown on Line 1 from Form 202DLV.
In box 17 Add Lines 17a, 17b, and 17c and enter the total on this line.

Line 18 **Timely discount**
If Line 17 is $6,000 or less, multiply that amount by .012. If Line 17 is greater than $6,000, multiply that amount by .009 and add $18.00. The discount may not exceed $500 for each return. A vendor who files or is eligible to file a consolidated return is allowed a maximum discount not to exceed $500 for all returns. A discount cannot be taken if the return is filed and paid after the due date.

Line 19 **In lieu of timely discount**
On Line 18, a vendor who is a qualified job training organization may claim a credit equal to 100% of their gross amount of sales and use tax required to remit.

A qualified vendor must meet the following criteria: (a) timely files a sales and use tax return or consolidated return, and (b) the total credit amount claimed may not exceed $100,000 for the calendar year, and (c) must choose to waive the timely discount calculated on Line 18 in order to claim this increased credit, and (d) must obtain, and attach to the return, a qualified job training organization certificate issued by the Maryland Department of Labor, and (e) must be located in the State, and (f) must be exempted from taxation under § 501(c)(3) of the Internal Revenue Code, and (g) must conduct retail sales of donated items. For more information, visit **marylandcomptroller.gov**.

Line 20 **Subtract** the timely discount on Line 18 from the amount on Line 17, and enter the difference on this line. For certified Qualified Job Training Organizations **only,** subtract the credit amount on Line 19 from the amount on Line 17, and enter the difference on this line. A Qualified Job Training Organization claiming the credit on Line 19 may not also claim the timely discount.

Line 21 Purchases subject to 6% rate

In box 21a Enter the amount of purchases, rentals, or use of personal property, subject to the 6% rate. Do **not** include the amount of any purchases of the following items in box 21a: (1) digital products and digital codes (reported separately in box 22a); (2) electricity at an electric vehicle charging station, or electricity used to charge an electric vehicle that is not sold under a residential or domestic rate schedule on file with the Public Service Commission (reported separately in box 23a); or (3) racehorses sold after a a claiming race (reported separately in box 24a).

In box 21 Enter the amount of tax due on your purchases, rentals, or use of personal property subject to the 6% rate upon which the proper amount of Maryland tax has not been paid, including your purchases of merchandise for resale which you have converted to your own use.

Line 22 Purchases of digital products and digital code subject to 6% rate

In box 22a Enter the amount of purchases of digital products and digital code that are subject to the 6% rate. For information on what qualifies as a digital product and digital code, see Business Tax Tip #29 Sales of Digital Products and Digital Code on **marylandcomptroller.gov.** If using a Multiple Points of Use Certificate for purchases of digital codes or digital products, include the amount of purchases apportionedto Maryland.

In box 22 Enter the amount of the tax due on purchases of digital products and digital code upon which the Maryland tax has not been paid, including use tax due pursuant to a Multiple Points of Use certificate for purchases of digital codes or digital products apportioned to Maryland.

Line 23 Purchases of electricity for charging electric vehicles subject to 6% rate

In box 23a Enter the amount of purchases of electricity for charging electric vehicles that are subject to the 6% rate. This includes the purchase of electricity at an electric vehicle charging station or the purchase of electricity used to charge an electric vehicle that is **not** purchased under a residential or domestic rate schedule on file with the Public Service Commission.

In box 23 Enter the amount of tax due on purchases of electricity for the charging of electric vehicles upon which the Maryland tax has not been paid.

Line 24 Purchases of racehorses following claiming races subject to 6% rate

In box 24a Enter the amount of purchases of racehorses following claiming races that are subject to the 6% rate.

In box 24 Enter the amount of tax due on your purchases of racehorses following claiming races upon which the Maryland tax has not been paid.

Line 25 Purchases of truck rentals and peer-to-peer car sharing subject to 8% rate

In box 25a Enter the amount of your purchases of truck rentals and peer-to-peer car sharing, subject to the 8% rate. Peer-to-peer car sharing is subject to the 8% rate if it is not subject to the 11.5% rate. See the instructions for Line 27.

In box 25 Enter the amount of tax due on your purchases, rentals, or use of truck rentals and peer-to-peer-car sharing upon which the proper amount of Maryland tax has not been paid, including your purchases or rentals of truck rentals and peer-to-peer-car sharing for resale which you have converted to your own use.

Line 26 Purchases of alcoholic beverages subject to 9% rate

In box 26a Enter the amount of purchases of alcoholic beverages subject to the 9% rate.

In box 26 Enter the amount of tax due on your purchases of alcoholic beverages subject to the 9% rate upon which the proper amount of Maryland tax has not been paid, including your purchases of alcoholic beverages for resale which you have converted to your own use.

Line 27 Purchases of car and motorcycle rentals and peer to peer car sharing subject to 11.5% rate

In box 27a Enter the amount of your purchases of car and motorcycle rentals and peer to peer car sharing subject to the 11.5% rate. Peer-to-peer car sharing is subject to the 11.5% rate if the vehicle (i.e., a passenger car, a multipurpose passenger vehicle, or a motorcycle) is part of a fleet of vehicles that includes more than 10 vehicles owned by the same person.

In box 27 Enter the amount of tax due on your purchases, rentals, or use of car and motorcycle rentals and peer-to-peer car sharing upon which the proper amount of Maryland tax has not been paid, including your purchases or rentals of car and motorcycle rentals and peer-to-peer car sharing for resale which you have converted to your own use.

Line 28 Purchases of tobacco pipes subject to 12% rate

In box 28a Enter the amount of your purchases of tobacco pipes subject to the 12% rate.

In box 28 Enter the amount of tax due on your purchases, rentals, or use of tobacco pipes upon which the proper amount of Maryland tax has not been paid, including your purchases of tobacco pipes for resale which you have converted to your own use.

Line 29 Purchases of ESDs and vaping liquid subject to 20% rate

In box 29a Enter the amount of your purchases of electronic smoking devices (ESDs) and vaping liquid that does not contain cannabis in containers over 5mL subject to the 20% rate.

In box 29 Enter the amount of tax due on your purchases, rentals, or use of ESDs and vaping liquid that does not contain cannabis in containers over 5mL, which the proper amount of Maryland tax has not been paid, including your purchases of vaping liquid that does not contain cannabis in containers over 5mL for resale which you have converted to your own use.

Line 30 Purchases of vaping liquid subject to 60% rate

In box 30a Enter the amount of your purchases of vaping liquid that does not contain cannabis in containers of 5mL or less subject to the 60% rate.

In box 30 Enter the amount of tax due on your purchases, rentals, or use of vaping liquid that does not contain cannabis in containers of 5mL or less upon which the proper amount of Maryland tax has not been paid, including your purchases of vaping liquid that does not contain cannabis in containers of 5mL or less for resale which you have converted to your own use.

Line 31 Purchases of cannabis products subject to 12% rate

Under Senate Bill 516 of 2023, purchases of cannabis and cannabis products are subject to sales and use tax.

"Cannabis" includes: cannabis; cannabis concentrate; cannabis infused products; and cannabis products, seeds, seedlings, immature plants, and clones.

In box 31a Enter the amount of your purchases of cannabis products subject to the 12% rate.

In box 31 Enter the amount of tax due on your purchases of cannabis products subject to the 12% rate upon which the proper amount of Maryland tax has not been paid, including your purchases of cannabis products for resale which you have converted to your own use.

Line 32 Taxable purchases of certain data services, certain information technology services, and certain software publishing services subject to 3% rate, including use tax remitted in connection with a Multiple Points of Use Certificate

In box 32a Enter the amount of purchases of data services and information technology services described under NAICS Sectors 518 and 519 and Subsector 5415 and system software publishing services and application software publishing services described under NAICS Subsector 5132 subject to the 3% rate. See instructions for box 16a for includable services. If using a Multiple Points of Use Certificate for purchases of taxable data and information technology services and software publishing services, enter the amount of purchases apportioned to Maryland.

In box 32 Enter the amount of tax due on your purchases of data services or information technology services and described under NAICS Sectors 518 and 519 and Subsector 5415 and system software publishing services and application software publishing services described under NAICS Subsector 5132 subject to 3% rate upon which the proper amount of Maryland tax has not been paid by the vendor, including use tax due pursuant to a Multiple Points of Use Certificate for purchases of taxable data and information technology services and software publishing services, enter the amount of purchases apportioned to Maryland.

For information on submitting a request to use a Multiple Points of Use Certificate, visit **marylandcomptroller.gov.**

Line 33 Total tax on purchases

Add the totals from Lines 21 through 32 and enter the total on this line.

Line 34 Total taxes due

Add the amounts shown on Line 20 and Line 33 and enter the total on this line.

Line 35 Refund due

If you are entitled to a refund of previously paid taxes of $1,000 or less you may claim it on this line. If the refund exceeds $1,000, you must pay the full amount due on Line 34 with this return and file a separate refund application, Form 205, available at **marylandcomptroller.gov**. You may not claim an amount greater than the amount on Line 34; you may claim the excess amount on Line 35 of your next return or file a Form 205, Sales and Use Tax Refund Application.

Line 36 Subtract

Line 35 from Line 34 and enter the difference on this line.

Line 37 If late

In box 37a If this return with payment for taxes due is not filed by its due date, you must include a penalty of 10% of the tax due on Line 36 plus interest.

In box 37b For January 1, 2026 through December 31, 2026, interest is calculated at a rate of 0.9011% per month or fraction of a month of the amount of Line 36. For interest rate beginning January 1, 2027, visit our website at **marylandcomptroller.gov**. Assistance in calculating interest is available through our website at **marylandcomptroller.gov.** You may also call 1-800-638-2937 or from central Maryland 410-260- 7980.

In box 37 Add Lines 37a and 37b and enter the total on Line 37.

Line 38 Sales and Use Tax balance due

Add the amounts shown on Lines 36 and 37 and enter total on this line.

Line 39 Prepaid Wireless E 9-1-1 Fee

Sellers of prepaid wireless telecommunications services are required to report and remit to the Comptroller all Prepaid Wireless E 9-1-1 Fees collected by the seller. For more information on the Prepaid Wireless E 9-1-1 Fee go to **marylandcomptroller.gov**.

In box 39a Multiply each Prepaid Wireless E 9-1-1 retail transaction by .60 and enter the amount in this box.

In box 39b Multiply the amount from box 39a by .03 and enter the amount in this box.

In box 39c Subtract the amount on Line 39b from Line 39a and enter the amount in this box.

Line 40 Total balance due

Add the amounts shown on Lines 38 Sales and Use Tax balance and 39c Total E 9-1-1 Fee due and enter the total on this line.

Line 41 Amount enclosed

Enter the amount of check or money order enclosed. Make check or money order payable to **Comptroller of Maryland.**

Mail to:

Comptroller of Maryland
Revenue Administration Division
PO Box 17405
Baltimore, MD 21297-1405

Write "SUT" and the CR (central registration) number on the check using blue or black ink.

Note: Financial institutions may refuse to process payments if the business name references the name of any federally controlled substance.

MARYLAND FORM 202F SALES AND USE TAX RETURN FOR MARKETPLACE FACILITATORS INSTRUCTIONS

Form 202F is used by marketplace facilitators to report sales and use tax collected on facilitated sales made on behalf of a marketplace seller. A marketplace facilitator is a person that facilitates a retail sale by a marketplace seller by listing or advertising tangible personal property, digital code, or a digital product for sale in a physical or electronic marketplace and collects payment from a buyer, either directly or indirectly through a third party, and transmits the payment to a marketplace seller. A marketplace facilitator includes a home amenity rental platform, as well as a home amenity rental intermediary that operates a physical or electronic marketplace and receives compensation for facilitating reservations or processing booking transactions on behalf of the owner, operator, or manager of a home amenity. This home amenity rental intermediary must complete Form 202F; otherwise, sales by a home amenity rental intermediary should be reported in box 4a of Form 202. For additional information about home amenity rentals, see Technical Bulletin No. 46.

Line 1 Gross sales facilitated into Maryland

Enter the total amount of all taxable and non-taxable sales and rentals of tangible personal property and of your taxable services into Maryland facilitated on behalf of marketplace sellers. Do not include any tax collected in this figure. Enter whole dollars only.

Line 2 Facilitated sales subject to 6% rate

In box 2a Enter the amount of facilitated sales that are subject to tax at the 6% rate.

Note: If the gross sales on Line 1 include sales of modular homes, see the applicable sales tax information at **marylandcomptroller.gov** to determine the appropriate percentage of sales to use in computing the 6% tax. Do **not** include the amount of any facilitated sales of the following items in box 2a: (1) digital products and digital codes (reported separately in box 3a); and (2) electricity at an electric vehicle charging station, or electricity used to charge an electric vehicle that is not sold under a residential or domestic rate schedule on file with the Public Service Commission (reported separately in box 4a). As of July 1, 2024, the sales and use tax applies to home amenity rentals. For additional information about home amenity rentals, see Technical Bulletin No. 46.

In box 2 Enter the actual amount of the sales and use tax you collected or should have collected on facilitated sales subject to the 6% tax rate, less any tax which you properly refunded to your customers for canceled sales.

Line 3 Facilitated sales of digital products and digital codes subject to 6% rate

In box 3a Enter the amount of facilitated sales of digital products and digital codes that are subject to tax at the 6% rate. For information on what qualifies as a digital product or digital code, see Business Tax Tip #29 Sales of Digital Products and Digital Code on **marylandcomptroller.gov**.

In box 3 Enter the actual amount of the sales and use tax you collected or should have collected on facilitated sales of digital products subject to the 6% tax rate, less any tax which you properly refunded to your customers for canceled sales.

Line 4 Facilitated sales of electricity for charging electric vehicles subject to 6% rate

In box 4a Enter the amount of facilitated sales of electricity for charging electric vehicles that are subject to tax at the 6% rate. This includes the facilitated sale of electricity at an electric vehicle charging station or the sale of electricity used to charge an electric vehicle that is **not** sold under a residential or domestic rate schedule on file with the Public Service Commission.

In box 4 Enter the actual amount of tax you collected or should have collected on facilitated sales of electricity for the charging of electric vehicles, less any tax which you properly refunded to customers for canceled facilitated sales.

Line 5 Facilitated sales of tobacco pipes subject to 12% rate

In box 5a Enter the amount of facilitated sales of tobacco pipes that are subject to tax at the 12% rate

In box 5 Enter the actual amount of the sales and use tax you collected or should have collected on facilitated sales of tobacco pipes subject to the 12% tax rate, less any tax which you properly refunded to your customers for canceled sales.

Line 6 Facilitated sales of ESDs and vaping liquid subject to 20% rate

In box 6a Enter the amount of facilitated sales of electronic smoking devices (ESDs) that are subject to tax at the 20% rate. ESDs include vaping liquid that does not contain cannabis and is sold in a container that contains over 5mL of vaping liquid.

In box 6 Enter the actual amount of the sales and use tax you collected or should have collected on facilitated sales of ESDs and vaping liquid subject to the 20% tax rate, less any tax which you properly refunded to your customers for canceled sales.

Line 7 Facilitated sales on vaping liquid subject to 60% rate

In box 7a Enter the amount of the facilitated sales of vaping liquid sold in a container that contains 5ml or less of vaping liquid that **does not** contain cannabis that are subject to tax at the 60% rate. Sales of vaping liquid that **does not** contain cannabis in containers greater than 5ml should continue to be reported in box 6a. Sales of vaping liquid that contain cannabis in containers of any size should be reported as sales of cannabis products.

In box 7 Enter the actual amount of the sales and use tax you collected or should have collected on facilitated sales of vaping liquid sold in a container that contains 5ml or less of vaping liquid subject to the 60% tax rate, less any tax which you properly refunded to your customers for canceled sales.

Line 8 Car and motorcycle rentals and peer-to-peer car sharing subject to 11.5% rate

In box 8a Enter the amount of facilitated short-term car and motorcycle rentals and peer-to-peer car sharing subject to tax at the 11.5% rate. Peer-to-peer car sharing is subject to tax at the 11.5% rate if the vehicle (i.e., a passenger car, a multipurpose passenger vehicle, or a motorcycle) is part of a fleet of vehicles that includes more than 10 vehicles owned by the same person.

In box 8 Enter the actual amount of tax you collected or should have collected on facilitated car and motorcycle rental and peer-to-peer car sharing receipts, less any tax which you properly refunded to customers for canceled facilitated sales.

Line 9 Truck rentals and peer-to-peer car sharing subject to 8% rate

In box 9a Enter the amount of facilitated short-term truck rentals and peer-to-peer car sharing subject to tax at the 8% tax rate. Peer-to-peer car sharing is subject to tax at the 8% rate if it is not subject to tax at the 11.5% rate. See the instructions for Line 8.

In box 9 Enter the actual amount of tax you collected or should have collected on your facilitated truck rental and peer-to-peer car sharing receipts, less any taxes you properly refunded to customers for canceled facilitated sales.

Line 10 Tax Due on Short-Term Rentals

Enter the sum of the tax shown in boxes 8 and 9.

Line 11 Sales of alcoholic beverages subject to 9% rate

In box 11a Enter the amount of facilitated sales of alcoholic beverages that are subject to tax at the 9% rate.

In box 11 Enter the actual amount of tax you collected or should have collected on the facilitated sales of alcoholic beverages, less any taxes you properly refunded to customers for canceled facilitated sales.

Line 12 Facilitated sales of certain data services, certain information technology services, and certain software publishing services subject to 3% rate

In Box 12a Enter the amount of facilitated sales of data services and information technology services described under NAICS Sectors 518 and 519 and Subsector 5415 and system software publishing services and application software publishing services described under NAICS Subsector 5132 that are subject to tax at the 3% rate. See instructions on Form 202 Box 16a for additional information on services subject to the tax.

In box 12a Enter the actual amount of tax you collected on facilitated sales of data services and information technology services described under NAICS Sectors 518 and 519 and Subsector 5415 and system software publishing services and application software publishing services described under NAICS Subsector 5132 that are subject to tax at the 3% rate, less any taxes you properly refunded to customers for canceled facilitated sales.

Line 13 Add Lines 2 through 7 and 10 through 12 and enter the total on this line and on Line 17b of Form 202.