

Bulletin



Comptroller of Maryland • Compliance Division • 301 West Preston Street • Baltimore, Maryland 21201-2383
410-260-7980 or 1-800-638-2937 outside of Central Maryland
www.marylandtaxes.com

1-03

2003 Changes in the Sales & Use Tax Law

The 2003 Maryland General Assembly enacted the following changes in the sales and use tax law, which are effective July 1, 2003, unless otherwise specified.

Due date: Effective with the July 2003 returns filed in August, the due date for returns has been advanced to the 20th day of the month following the end of each reporting period assigned by the Comptroller, whether it is monthly, quarterly, semi-annual or annual.

Statute of limitations for bringing criminal charges: The statute of limitations for the prosecution of a sales and use tax offense arising from the Tax-General Article of the Annotated Code of Maryland has been increased from one year to three years after the date on which the offense was committed.

Payment in immediately available funds: The threshold requirement for payment of sales and use tax in immediately available funds has been decreased from \$20,000 per return to \$10,000. A taxpayer whose unpaid tax liability is \$10,000 or more shall remit payment by immediately available funds using ACH credit, ACH debit or United States currency. A person making payment by ACH debit should register with the Comptroller before initiating the ACH tax payment. To register for ACH debit, call the Revenue Administration Division at 410-260-7980. Effective August 1, 2003, sales and use tax filers can satisfy this requirement via the internet direct debit option available on the Comptroller's Web site using our bFile online service.

Tax Clearances for State license renewals: Beginning July 1, 2003, the state agencies listed below must verify that an applicant for renewal of a license has paid, or satisfactorily arranged for the payment of, state taxes, including sales and use tax, before the license can be renewed.

- Comptroller of Maryland (including the Clerks of the Circuit Court)
- Department of Labor, Licensing & Regulation
- Department of Health & Mental Hygiene
- Motor Vehicle Administration (excluding driver's licenses and vehicle registration renewals)
- Department of Natural Resources
- Department of the Environment

Holders of a license issued by one of these agencies should make arrangements to pay the tax in advance of the renewal date of their licenses. If a license holder waits until renewal time to satisfy a tax problem, the renewal may be delayed. For additional information or assistance in resolving a sales and use tax, withholding tax, admissions and amusement tax, corporation tax or personal income tax problem, call 410-649-0633 or toll-free 1-888-614-6337.

June 2003

For the deaf and hard of hearing: TTY users call via Maryland Relay at 711 in Maryland or 1-800-735-2258 from elsewhere. If you need a reasonable accommodation for a disability, please contact us before you visit. If you need the information in this publication in an alternate format, contact the Comptroller's Office.
