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Letter of Support

House Bill 933 – Sales and Use Tax – Certificates Indicating Multiple Points of Use – Alterations
Budget & Taxation Committee
March 31, 2026

What this bill does: HB933 alters the MPU certificate process to allow for "blanket" certificates that apply to all transactions with a vendor.

Why this bill is important: As part of the 2025 Budget Reconciliation & Financing Act (BRFA), sales and use tax was expanded to include certain digital and IT services. To address concerns raised by companies with locations both in and out of Maryland, the BRFA included provisions for multiple points of use (MPU) certificates. MPU certificates allowed companies to proactively declare that they would be using the purchase both in and out of Maryland, relieving vendors of the obligation to collect sales tax on that transaction. The certificate holder would then be responsible for remitting use tax based on their Maryland usage.

The BRFA was signed into law on May 20, 2025, and the sales and use tax provisions (including MPU certificates) went into effect on July 1. In order to implement the BRFA's changes by the required date, the Office of the Comptroller first created a temporary process by which businesses could request an MPU certificate for a transaction and Comptroller staff would manually review the request and issue the certificate. During this period, we collected feedback from participating businesses, and in late August we released an automated process that simplified the MPU application and automatically issued certificates in under an hour.

My office has worked closely with businesses, associations, and other partners to refine and improve the MPU certificate process since its inception. We have held numerous stakeholder meetings, conducted partner webinars, and surveyed users. While our latest process has had excellent feedback overall, some of Maryland's larger companies have indicated that given the volume they are dealing with, obtaining an MPU certificate for each transaction is still burdensome even under the automated system.

HB933 seeks to alleviate the concern raised by Maryland's larger businesses by removing the Comptroller approval process, making MPU certificates apply to all transactions with a vendor, and allowing certificates to be provided up to 90 days after the transaction. As amended in the House, HB933 improves the MPU certificate process for all businesses while also ensuring that the vendors who are obligated to collect sales tax under Maryland law can clearly and easily verify that they are not required to collect sales tax for a given transaction. Businesses will be able to register with the Comptroller as authorized buyers with the authority to issue MPU certificates. An authorized buyer can use our automated system to issue the MPU certificate, which would apply to all future transactions. Businesses would not be required to estimate the apportionment of their Maryland usage prior to the transaction.

I would like to thank the bill sponsor, the Maryland Chamber of Commerce, and the many businesses who worked with my office closely both during our initial implementation of MPU certificates and on these amendments. My office is continuing to work with all stakeholders, and we are committed to creating a process that works for all.

I urge a favorable report on HB933. Thank you for your consideration. If you have any questions, please reach out to Matthew Dudzic, Director of State Affairs, at MDudzic@marylandtaxes.gov.