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Budget and Taxation Committee

*Chair*

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THE SENATE OF MARYLAND  
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**Senate Bill 644 – Sales and Use Tax –  
Certificates Indicating Multiple Points of Use - Alterations**

March 4, 2026

Mister Chairman and Members of the Budget and Taxation Committee:

As part of the 2025 Budget Reconciliation & Financing Act (BRFA), sales and use tax was extended 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.

Under current law, companies are required to seek prior approval from the Comptroller's Office to utilize the MPU Certificate, and the companies must subsequently provide a vendor with an MPU Certificate prior to every transaction in which the MPU Certificate will be utilized, including renewal transactions. In practice, this requires companies to expend significant amounts of time and resources to comply with the current MPU Certificate process.

Senate Bill 644 establishes a streamlined process for companies to utilize the Multiple Points of Use Certificate. This new streamlined process will alleviate compliance burdens for Maryland's businesses while maintaining appropriate safeguards.

By streamlining the MPU Certificate process, this legislation promotes economic competitiveness with our neighboring states while maintaining appropriate safeguards. This change will encourage technology, software, and service companies to invest, operate, and expand in Maryland. And the passage of this legislation will maintain revenue integrity.

Senate Bill 644 simply promotes accurate reporting by streamlining the MPU process and clarifying who is responsible for reporting and remitting the sales and use tax, and so I respectfully request a favorable report on Senate Bill 644.