

HCCC_HB 933_FAV_B&T.pdf

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Position: FAV



March 31, 2026

Legislative Position: Favorable

House Bill 933

Sales and Use Tax - Certificates Indicating Multiple Points of Use - Alterations

Senate Budget & Taxation Committee

Dear Chair Guzzone and members of the committee:

Founded in 1969, the Howard Chamber of Commerce is dedicated to helping businesses—from sole proprietors to large international firms—grow and succeed. With the power of 700 members that encompass more than 170,000 employees, the Howard County Chamber is an effective partner with elected officials and advocates for the interests of the county’s business community.

We write to express strong support for House Bill 933. This legislation represents a thoughtful and practical improvement to Maryland’s sales and use tax framework that will help local technology companies comply more easily and effectively with Maryland’s new tech tax.

HB 933 clarifies and modernizes the process for vendors and buyers to use certificates indicating multiple points of use for digital codes, digital products, and taxable services under the sales and use tax. Specifically, the bill ensures that a certificate meeting certain standard criteria is **deemed fully completed without prior Comptroller approval**, and that vendors are relieved of tax collection duties when presented with such a certificate within a defined timeframe. It also requires the Comptroller to publish a form and applies these changes retroactively for dates on or after July 1, 2025.

This bill addresses many of the technical compliance challenges that Maryland’s tech sector has faced since the implementation of the digital and tech services tax. Local software developers, digital service providers, cloud and hosting companies, and other tech-oriented businesses have reported significant uncertainty and administrative burden in applying multiple-points-of-use certificates under current law, in some cases requiring manual tracking of tax jurisdictions and multiple invoices to remain compliant. By providing clear, uniform standards for what constitutes a completed certificate and removing unnecessary pre-approval requirements, HB 933 will reduce confusion and lower compliance costs.

We respectfully urge a favorable report on House Bill 933.

Sincerely,

Kristi Simon
President & CEO
Howard County Chamber of Commerce

MDCC_HB 933_Favorable - Post Crossover.pdf

Uploaded by: Grason Wiggins

Position: FAV



House Bill 933

Position: Favorable

Committee: Ways and Means

Date: February 26, 2026

Founded in 1968, the Maryland Chamber of Commerce (“Maryland Chamber”) is a statewide coalition of more than 7,000 members working to develop and promote strong public policy that ensures sustained economic growth and opportunity for all Marylanders.

As amended, House Bill 933 (“HB 933”) makes critical improvements to how Maryland administers sales and use tax for transactions involving multiple points of use (MPU). As digital products, cloud services, and enterprise software agreements increasingly span multiple states, HB 933 ensures that Maryland benefits from an administrative process that reflects the realities of modern commerce.

HB 933 adopts a more streamlined approach seen in other states by treating MPU certificates in the same manner as resale or exemption certificates — as routine administrative documents issued directly to vendors. By allowing purchasers to provide a properly completed MPU certificate directly to vendors for qualifying purchases, the bill reduces unnecessary paperwork while maintaining appropriate safeguards.

Additionally, HB 933 bolsters administrative clarity by specifying what information must be included on an MPU certificate and creating a standardized form generated by the Comptroller. As a result, HB 933 provides consistency for taxpayers and vendors alike and reduces the risk of confusion or inadvertent noncompliance.

The Maryland Chamber worked closely with Chair Wilkins, Senator King, and the Comptroller’s Office to achieve the amended version of HB 933. For the aforementioned reasons, we respectfully request a favorable report on HB 933.

2026 HB 933 Del. Wilkins Sale and Use Tax Testimon

Uploaded by: Jheanelle Wilkins

Position: FAV



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

MARCH 31, 2026

House Bill 0933- Sales and Use Tax – Certificates Indicating Multiple Points of Use – Alterations

Dear Colleagues,

I am proud to present **House Bill 933 – Sales and Use Tax – Certificates Indicating Multiple Points of Use – Alterations**. This bill is crossfiled with Senate Bill 64.. HB 933 clarifies and streamlines Maryland law governing sales and use tax for digital codes, digital products, and certain taxable services used in multiple jurisdictions. It has been carefully amended in collaboration with the Office of the Comptroller to ensure fidelity to the intent of last year’s tech tax legislation.

House Bill 933 as amended specifies when a certificate indicating multiple points of use (MPU) is considered fully completed, prior approval from the Comptroller is not required. The bill requires the Comptroller to relieve vendors of tax liability when a properly completed certificate is provided. The bill also requires publication of a standardized form and ensures certificates remain effective for future qualifying sales unless revoked.

Although current law permits the use of MPU certificates, ambiguity surrounding what constitutes a completed certificate and whether prior approval is required has led to confusion, inconsistent administration, and unnecessary burdens on Maryland businesses. **House Bill 933** operationalizes and expands on existing Maryland law by establishing clear standards, rather than leaving businesses to navigate uncertainty in complex, multi-jurisdictional digital transactions.

House Bill 933 promotes fairness, efficiency, and proper tax compliance in Maryland’s increasingly digital economy. I urge the committee to give a **favorable vote** for **House Bill 0933- Sales and Use Tax – Certificates Indicating Multiple Points of Use – Alterations**.

Sincerely,

A handwritten signature in cursive script that reads "Jheanelle Wilkins".

Delegate Jheanelle Wilkins

HB933 - Cf - LOS.pdf

Uploaded by: Matthew Dudzic

Position: FAV



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.