



Letter of Information

House Bill 197 – Comprehensive Community Safety Funding Act *Ways & Means Committee* *March 5, 2026*

The Comptroller of Maryland is respectfully submitting this letter of information regarding House Bill 197 – Comprehensive Community Safety Funding Act. HB197 imposes an excise tax on the gross receipts of firearms dealers derived from the sales of firearms, ammunition, and accessories.

Our office is currently in the process of migrating more than 3 million individual taxpayers from our legacy mainframe to our new integrated tax system, Maryland Tax Connect. This migration, currently scheduled for August 2026, is the largest and most complex phase of our years-long modernization project.

HB197 creates a new tax type effective July 1, 2026, and will require significant system programming to implement. In order to ensure a smooth migration to our new tax system, the Comptroller of Maryland respectfully requests that the effective date of HB197 be delayed to July 1, 2027.

Thank you. If you have any questions, please reach out to Matthew Dudzic, Director of State Affairs, at MDudzic@marylandtaxes.gov.

