

**MARYLAND
FORM
202** **SALES AND USE TAX
RETURN**



20202L099

July 2020 - June 2021

CHECK HERE IF:

- NAME OR ADDRESS HAS CHANGED** (attach completed Change of Name or Address Form) **FINAL RETURN** (attach completed Form 202FR)

1. Check here if you are a marketplace facilitator.
2. Check here if you are a person that engages in the business of an out-of-state vendor and, in the previous calendar year:
 - (1) You exceeded \$100,000 in gross sales of tangible personal property or taxable services delivered in the State; or
 - (2) You sold tangible personal property or taxable services for delivery into the State in 200 or more separate transactions.
3. Gross sales (Whole dollars only, taxable and non-taxable direct sales) ▶ 3. _____
4. Sales subject to 6% rate 4a. _____ ▶ 4. _____
- 4.1. Sales subject to 6% rate (Digital products) 4.1a. _____ ▶ 4.1. _____
- 4.2. Sales subject to 12% rate (ESDs) 4.2a. _____ ▶ 4.2. _____
- 4.3. Sales subject to 60% rate (Vaping Liquid). 4.3a. _____ ▶ 4.3. _____
5. Car and motorcycle rentals subject to 11.5% rate 5a. _____ ▶ 5. _____
6. Truck Rentals and peer-to-peer car sharing subject to 8% rate. 6a. _____ ▶ 6. _____
7. Add Lines 5 and 6 and enter the total tax due on short-term rentals ▶ 7. _____
8. Sales of alcoholic beverages subject to 9% rate. 8a. _____ ▶ 8. _____
9. a. Add Lines 4, 4.1, 4.2, 4.3, 7 and 8 and enter the total on this line ▶ 9a. _____
- b. Enter line 7 from Form 202F (see instructions) . . . ▶ 9b. _____
- Add lines 9a and 9b and enter the total 9. _____
10. If timely – enter discount (see instructions). Maximum \$500.00 10. _____
- 10.1. RELIEF Act tax credit in lieu (see instructions) of timely discount. Maximum \$3,000 . . . ▶ 10.1. _____
11. Subtract Line 10 or Line 10.1 from Line 9 and enter the difference on this line 11. _____

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12. Taxable purchases subject to the 6% rate. 12a. _____ ▶ 12. _____
13. Taxable purchases of alcoholic beverages subject to the 9% rate. 13a. _____ ▶ 13. _____
14. Total taxes due (add Lines 11, 12 and 13). **If the total is zero, see instructions.** ▶ 14. _____
15. Refund due (see instructions) ▶ 15. _____
16. **Subtract** Line 15 from Line 14 and enter the difference on this line. 16. _____
17. **If late:** a. Compute penalty at 10% of Line 16. 17a. _____
 b. Compute interest from the due date of the return (see instructions) 17b. _____
Add Lines 17a and 17b and enter the total. 17. _____
18. Sales and Use Tax balance due (add Lines 16 and 17) . 18. _____
19. a. Prepaid Wireless E 9-1-1 Fee (.60 per transaction). ▶ 19a. _____
 b. Enter discount (see instructions) ▶ 19b. _____
 c. Total E 9-1-1 Fee due 19c. _____
20. Total balance due (add Lines 18 and 19c.) ▶ 20. _____
21. Amount enclosed - **Make payable to Comptroller of Maryland - SUT** ▶ 21. _____

Under penalties of perjury, I declare that I have examined this return and to the best of my knowledge and belief it is true, correct and complete.

Taxpayer or Agent's signature

Date

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Line 1 **Check the box** if you engage in the business of a marketplace facilitator. **If the box is checked you must complete Form 202F.** Marketplace facilitator means a person that (i) facilitates a retail sale by a marketplace seller by listing or advertising for sale in a marketplace tangible personal property; and (ii) regardless of whether the person receives compensation or other consideration in exchange for the person's services, directly or indirectly through agreements with third parties, collects payments from a buyer and transmits the payment to the marketplace seller. Marketplace facilitator does not include (i) a platform or forum that exclusively provides internet advertising services, including listing products for sale, if the platform or forum does not also engage, directly or indirectly, in collecting payment from a buyer and transmitting that payment to the vendor; (ii) a payment processor business appointed by a vendor to handle payment transactions from clients, including credit cards and debit cards, whose only activity with respect to marketplace sales is to handle transactions between two parties; (iii) a peer-to-peer car sharing program; or (iv) a delivery service company that delivers tangible personal property on behalf of a marketplace seller that is engaged in the business of a retail vendor and holds a certain license. Marketplace seller means a person that makes a retail sale or sale for use through a physical or electronic marketplace operated by a marketplace facilitator.

Line 2 **Check the box** if you are a person that engages in the business of an out-of-state vendor and in the prior calendar year either (1) exceeding \$100,000 in gross revenue from the sale of tangible personal property or taxable services delivered in the State; or (2) sold tangible personal property or taxable services for delivery into the State in 200 or more separate transactions. **If you are a marketplace facilitator and engage in the business of an out-of-state vendor with sales in the previous calendar year that exceed the listed threshold amounts, you should check both box 1 and box 2.**

Line 3 **Gross sales** Enter the total amount of all your taxable and non-taxable sales and rentals of tangible personal property and of your taxable services. These are your total direct sales. Do not include any facilitated sales or tax collected in this figure. Enter whole dollars only.

Line 4 **Sales subject to 6%, 12%, and 60% rates**
In box 4a Enter the amount of sales that are subject to tax at the 6% rate.

Note: If the gross sales on Line 3 include sales of modular homes or gross receipts from vending machine sales; or if you are a marina which sells dyed diesel fuel; or if you are a hotel: see the applicable sales tax information at www.marylandtaxes.gov to determine the appropriate percentage of sales to use in computing the 6% tax.

In box 4 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales subject to the 6% tax rate, less any tax which you properly refunded to your customers for cancelled sales. Do not include sales and use tax collected for facilitated sales, which is reported on Form 202F.

In box 4.1a Enter the amount of sales of digital products that are subject to tax at the 6% rate. For information on what qualifies as a digital product, see Business Tax Tip #29 Sales of Digital Products and Digital Code on marylandtaxes.gov. Digital products became subject to the sales and use tax on March 14, 2021. For the period ending March 31, 2021, only report sales of digital products for the period March 14, 2021 to March 31, 2021. For periods after March 2021, report sales for the entire period.

In box 4.1 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales of digital products subject to the 6% tax rate, less any tax which you properly refunded to your customers for cancelled sales. Do not include sales and use tax collected

for facilitated sales of digital products, which is reported on Form 202F.

In box 4.2a Enter the amount of sales of electronic smoking devices (ESDs) that are subject to tax at the 12% rate. For more information see TT-78 Cigarette and OTP Tax Increase and Floor Tax and Electronic Smoking Devices (ESD) Sales Tax on marylandtaxes.gov. The sales and use tax rate for ESDs increased from 6% to 12% effective March 14, 2021. For sales of ESDs through March 13, 2021, sales and the tax collected should be included on lines 4a and 4, respectively. Sales of ESDs on or after March 14, 2021 and the tax collected should be reported on lines 4.2a and 4.2, respectively.

In box 4.2 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales of ESDs subject to the 12% tax rate, less any tax which you properly refunded to your customers for cancelled sales. Do not include sales and use tax collected for facilitated sales of ESDs, which is reported on Form 202F.

In box 4.3a Beginning March 14, 2021, enter the amount of sales of vaping liquid sold in a container that contains 5ml or less of vaping liquid that are subject to tax at the 60% rate. For more information, see TT-78 Cigarette and OTP Tax Increase and Floor Tax and Electronic Smoking Devices (ESD) Sales Tax on marylandtaxes.gov. The tax rate on vaping liquid sold in containers of 5ml or less increased from 6% to 60% effective March 14, 2021. Sales of vaping liquid in containers of any size through March 13, 2021 should be reported on line 4. Sales of vaping liquid in containers greater than 5ml should continue to be reported on line 4 from March 14, 2021 and forward.

In box 4.3 Enter the actual amount of the sales and use tax you collected or should have collected on direct sales of vaping liquid sold in a container that contains 5ml or less of vaping liquid subject to the 6% tax rate, less any tax which you properly refunded to your customers for cancelled sales. Do not include sales and use tax collected for facilitated sales of vaping liquid in a container that contains less than 5ml of vaping liquid, which is reported on Form 202F.

Line 5 **Car and motorcycle rentals subject to 11.5% rate**

In box 5a Enter the amount of short-term car and motorcycle rentals subject to tax at the 11.5% rate.

In box 5 Enter the actual amount of tax you collected or should have collected on your car and motorcycle rental receipts, less any tax which you properly refunded to your customers for cancelled sales.

Line 6 **Truck Rentals and peer-to-peer car sharing subject to 8% rate.**

In box 6a Enter the amount of short-term truck rentals and peer-to-peer car sharing subject to tax at the 8% tax rate.

In box 6 Enter the actual amount of tax you collected or should have collected on your truck rental and peer-to-peer car sharing receipts, less any taxes you properly refunded to your customers for cancelled sales.

Line 7 **Tax Due on Short-Term Rentals** Enter the sum of the tax shown in boxes 5 and 6.

Line 8 **Sales of alcoholic beverages subject to 9% rate**

In box 8a Enter the amount of sales of alcoholic beverages that are subject to tax at the 9% rate.

In box 8 Enter the actual amount of tax you collected or should have collected on the sales of alcoholic beverages, less any taxes you properly refunded to your customers for cancelled sales.

Line 9 **In box 9a** Add lines 4, 4.1, 4.2, 4.3, 7 and 8 and enter the total on this line.

In box 9b Enter amount shown on Line 7 from Form 202F.

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In box 9 Add Lines 9a and 9b and enter the total on this line.

Line 10 Timely discount If Line 9 is \$6,000 or less, multiply that amount by .012. If Line 9 is greater than \$6,000, multiply that amount by .009 and add \$18.00. The discount may not exceed \$500 for each return. A vendor who files or is eligible to file a consolidated return is allowed a maximum discount not to exceed \$500 for all returns. A discount cannot be taken if the return is filed and paid after the due date.

Line 10.1 In Lieu of timely discount on line 10, eligible vendors may claim a credit against their sales and use tax for either the amount of the sales and use tax collected during the month (March, April, and May 2021 only) for which the vendor claims the credit, or \$3,000, whichever is less.

An eligible vendor must meet the following criteria: (a) timely files a sales and use tax return or consolidated return, and; (b) the gross amount of sales and use tax remitted with the return (the sum of lines 9, 12, and 13) may not exceed \$6,000, and; (c) must choose to waive the standard vendor credit calculated on line 10 in order to claim this increased credit. For more information, visit www.marylandtaxes.gov or Email: TaxpayerRelief@Marylandtaxes.gov

Line 11 Subtract Line 10 or Line 10.1 (whichever is claimed).

Line 12 Purchases subject to 6% rate

In box 12a Enter the amount of purchases, rentals, or use of personal property, subject to the 6% rate.

In box 12 Enter the amount of tax due on your purchases, rentals, or use of personal property, taxable to you at the 6% rate upon which the proper amount of Maryland tax has not been paid, including your purchases of merchandise for resale which you have converted to your own use.

Line 13 Purchases of alcoholic beverages subject to 9% rate

In box 13a Enter the amount of purchases of alcoholic beverages subject to the 9% rate.

In box 13 Enter the amount of tax due on your purchases of alcoholic beverages taxable to you at the 9% rate upon which the proper amount of Maryland tax has not been paid, including your purchases of alcoholic beverages for resale which you have converted to your own use.

Line 14 Total taxes due Add the amounts shown on Lines 11, 12 and 13 and enter the total on this line. **If the total is zero, do not mail this return. File by calling 410-260-7225 or file electronically.**

Line 15 Refund due If you are entitled to a refund of previously paid taxes of \$1,000 or less you may claim it on this line. If the refund exceeds \$1,000, you must pay the full amount due on Line 14 with this return and file a separate refund application, Form 205, available at www.marylandtaxes.gov. You may not claim an amount greater than the amount on Line 14; you may claim the excess amount on Line 15 of your next return or file a Form 205, Sales and Use Tax Refund Application.

Line 16 Subtract Line 15 from Line 14 and enter the difference on this line

Line 17 If late

In box 17a If this return with payment for taxes due is not filed by its due date, you must include a penalty of 10% of the tax due on Line 16 plus interest.

In box 17b Prior to January 1, 2021, interest is calculated at a rate of 0.8750% per month or fraction of a month of the amount on line 16. From January 1, 2021 through December 31, 2021, interest is calculated at a rate of

0.8333% per month or fraction of a month of the amount of line 16. Assistance in calculating interest is available through our Web site at www.marylandtaxes.gov or email your question to TAXHELP@marylandtaxes.gov. You may also call 1-800-638-2937 or from central Maryland 410-260-7980.

In box 17 Add lines 17a and 17b and enter the total on line 17.

Line 18 Sales and Use Tax balance due Add the amounts shown on Lines 16 and 17 and enter the total on this line.

Line 19 Prepaid Wireless E 9-1-1 Fee

Effective July 1, 2013, sellers of prepaid wireless telecommunications services are required to report and remit to the Comptroller all Prepaid Wireless E 9-1-1 Fees collected by the seller. For more information on the Prepaid Wireless E 9-1-1 Fee go to www.marylandtaxes.gov.

In box 19a Multiply each Prepaid Wireless E 9-1-1 retail transaction by .60 and enter the amount in this box.

In box 19b Multiply the amount from box 19a by .03 and enter the amount in this box.

In box 19c Subtract the amount on Line 19b from Line 19a and enter the amount in this box.

Line 20 Total balance due Add the amounts shown on Lines 18 and 19c and enter the total on this line.

Line 21 Amount enclosed Enter the amount of check or money order enclosed. Make check or money order payable to Comptroller of Maryland – SUT.

Make checks payable and mail to:

Comptroller of Maryland - SUT
Revenue Administration Division
PO Box 17405
Baltimore, Maryland 21297-1405

Write CR (central registration) number on check using blue or black ink.