



Tax Insights
from State and Local Tax
Services

Maryland enacts statutory framework for MPU certificates effective January 1, 2027

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In brief

What happened?

Maryland [Senate Bill 644](#), enacted on April 28, 2026, establishes a statutory framework for the issuance, use, renewal, rescission, and revocation of multiple points of use (MPU) certificates for sales and use tax purposes, effective January 1, 2027. The legislation applies to MPU certificates for digital codes, digital products, and taxable data and information technology services.

Why is it relevant?

SB 644 supersedes or modifies key elements of prior Comptroller guidance, creating a two-year authorization cycle, vendor-level certificates that may apply to future purchases, streamlined certificate generation requirements, and statutory procedures for revocation and vendor notification.

For more information, see PwC's [Maryland releases emergency rules and guidance for sales tax on technology services](#) (August 5, 2025).

Actions to consider

Purchasers and vendors using Maryland MPU certificates should review current procedures before the January 1, 2027 effective date. Buyers should confirm whether existing authorizations or certificates

issued under current Comptroller guidance will apply under the new statutory framework. Vendors should update processes for certificate verification, record retention, rescission notices, and revocation monitoring.

In detail

Authorization and registration

SB 644 creates an "authorized buyer" concept, defined as a buyer authorized by the Comptroller to issue MPU certificates to vendors. To qualify, a buyer must (1) register with the Comptroller for a sales and use tax account; (2) request and obtain specific authorization to issue MPU certificates; and (3) have paid all undisputed taxes or provided for payment in a manner satisfactory to the Comptroller.

Registration steps were previously outlined in Technical Bulletin No. 54. A key structural change SB 644 adds is that authorization is now valid for a period of not less than two years (unless suspended or revoked), with renewal applications permitted up to 90 days before expiration. Under the current emergency rules, authorization is transaction-specific, except for certain subscriptions, with no stated validity period.

Technical Bulletin No. 54 eliminated the need to send a preliminary email to the Comptroller and replaced it with an online application process. SB 644 codifies that change and eliminates per-transaction Comptroller authorization entirely.

Blanket certificates and rescission

Under SB 644, an MPU certificate provided to a vendor remains in effect for all future purchases from that vendor until the authorized buyer rescinds the certificate, the vendor receives notice from the Comptroller of revocation, or the vendor otherwise knows or should know the authorization has been revoked. This approach is a departure from the emergency rules, which required detailed purchase-specific information such as the estimated date of sale, description of the purchase, estimated taxable price, and percentage of use allocated to Maryland.

On receipt of the properly produced and issued MPU certificate, the vendor is relieved of the obligation to collect, pay, or remit the applicable tax to the Comptroller. Upon notice of rescission, the vendor is responsible for collecting or paying and remitting tax on sales made to the buyer after the date of rescission.

Certificate content and apportionment

The information required to generate a certificate under SB 644 is streamlined compared to the emergency rules. Required fields include buyer and vendor names and addresses, the buyer's Maryland combined registration number, and a statement affirming that all purchases by the authorized buyer will have multiple points of use unless the buyer otherwise notifies the vendor. Notably, an authorized buyer may not be required to provide an estimate of apportioned use in the state in order to generate a certificate.

The buyer still must use any reasonable, consistent, and uniform method of apportionment supported by the buyer's records at the time of the sale that accurately reflects the primary use location in Maryland to determine the applicable tax due.

Revocation and vendor notification

SB 644 establishes formal revocation procedures that did not exist in the emergency rules. The Comptroller may revoke a buyer's authorization on written notice due to fraud, gross negligence, misuse of an MPU certificate, delinquency in the payment of undisputed sales and use tax, or other similar reasonable cause. Upon revocation, any MPU certificates issued by that buyer become void from the date of the Comptroller's notice, and the buyer must provide the Comptroller with a list of all vendors to which certificates were issued.

The Comptroller must provide written notification to each affected vendor, advising of the date on which the certificate has been voided. Upon receipt of the Comptroller's notice, the vendor is responsible for collecting or paying and remitting the tax on sales to that buyer.

Vendor verification obligation

SB 644 provides that a vendor that receives an MPU certificate from an authorized buyer must verify, on receipt, its authenticity in the manner prescribed by the Comptroller. Vendors must obtain the certificate before the sale is consummated, or within 60 days after the date on which the Comptroller mails a notice of intent to assess sales and use tax for failure to obtain a proper certificate.

The verification requirement carries forward from the emergency rules, which stated that vendors are responsible for verifying MPU certificates using the Maryland tax portal. However, the 60-day period is a new statutory safe harbor that allows vendors to obtain a retroactive certificate before assessment.

Single-state use exception

SB 644 states that when an authorized buyer who has provided a vendor with an MPU certificate reasonably anticipates that a specific purchase will be used in Maryland and not outside the state, the buyer must notify the vendor that the sale is not subject to the MPU certificate. The buyer also must pay sales tax to the vendor at the time of sale.

Certificate generation through the Comptroller's system

An authorized buyer must generate a certificate for each vendor using the Comptroller's online application or other mechanism, in the form and manner required by the Comptroller. This requirement codifies an online process that the Comptroller established in Technical Bulletin No. 54 and provides statutory authority for the centralized issuance platform.

Observation: Because SB 644 does not provide transition or grandfathering rules for certificates issued under the emergency framework, taxpayers should monitor Comptroller guidance on implementation.

Let's talk

For more information on how this legislation may affect your business, please contact:

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