

MEMO# 22416

April 21, 2008

Maryland Legislature Repeals Computer Services Tax

[22416]

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TO: ADVISER DISTRIBUTOR TAX ISSUES TASK FORCE No. 6-08
TAX MEMBERS No. 11-08 RE: MARYLAND LEGISLATURE REPEALS COMPUTER SERVICES TAX

Maryland Governor Martin O' Malley has signed into law SB 46, which repeals Maryland's six percent tax on computer services that was scheduled to become effective beginning on July 1, 2008. The computer services tax is replaced by a higher personal income tax rate of 6.25% (the top marginal rate previously was 5.5%) imposed on income exceeding one million for tax years 2008-2010.

Go to <http://mlis.state.md.us/2008rs/billfile/sb0046.htm> to read the legislation. Go to <http://www.gov.state.md.us/pressreleases/080408.asp> to read the Governor's press release.

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