



Are there any other licenses and/or tax obligations that I must meet?

Most businesses that are required to be licensed will also have to fulfill other tax obligations to the state of Maryland. To help determine which type(s) of taxes for which your business may be liable, you can complete a Combined Registration Application at

<http://business.marylandtaxes.com/news/taxtips/business/bustip64.asp>

Or contact:

Taxpayer Registration Assistance Center

301 West Preston St. Room 206

Baltimore, MD 21201

410-767-1300

Where can I get additional information about business licenses?

State License Bureau

80 Calvert Street

Room 310

Annapolis, MD 21704

410-260-6240

lichelp@comp.state.md.us

You can also find more information about business licenses by visiting <http://www.blis.state.md.us/>



Frequently asked questions

Are wholesalers exempt from the Trader's license requirement?

NO. The Trader's license requirements apply to both wholesale and retail businesses

What about non-profit organizations?

Non-profit organizations are not required to obtain a license.

However, their status must be certified by the IRS. For more on IRS certification of non-profits, visit <http://www.irs.gov/charities/index.html>

Are out-of-state construction businesses working in MD required to obtain a special license?

YES. They may be required to obtain a non-resident construction license, which entails a \$50 fee in the 23 counties of MD



Information provided in this brochure has been acquired from the Comptroller of Maryland's website: www.business.marylandtaxes.com and is intended to be used for general purposes only

a guide to business licenses



Information courtesy of City of Frederick
Department of Economic Development
101 N. Court Street Frederick, MD
301-600-6360



a guide to business licenses

Who needs a business license?

A State of Maryland business license is required for most businesses. Business activities that require licenses include, *but are not limited to*:

- Retailers and wholesalers (trader's license)
- Amusements
- Auctions
- Chain Stores
- Construction
- Dry Cleaners
- Garages
- Hawkers and Peddlers
- Junk dealers
- Plumbers and gas fitters
- Restaurants
- Storage warehouses
- Vending machines
- Retail/vending businesses which sell cigarettes

How long is my business license valid?

The license year runs from May 1 through April 30 of the following year. Licenses must be renewed by May 1 of each year.

Where do I obtain a business license?

State business licenses are obtained from the Clerks of the Circuit Court in the county where the business is located. You must contact the Clerk of the Court in order to obtain a business license application. A new business that is applying for a license for the first time must be registered with MDAT and must present the MDAT identification number to the Clerks of the Court.

Frederick County 301-600-1962
100 W. Patrick Street 8:30am—4:30pm

What is a trader's license?

A trader's license is required for selling goods & merchandise in Maryland and is applicable to both retailers and wholesalers. The fee for the license is based on the value of the commercial inventory that a business reports on their personal property return which is filed with the Maryland Department of Assessments and Taxation (MDAT).

EXEMPTIONS to the trader's license requirement:

- Growers, makers or manufacturers of goods
- Businesses that are determined by the IRS to be nonprofit 501(c)(3) status

- Private individuals who conduct a public sale of personal effects on their property, provided that no more than one sale is conducted for a period not to exceed 14 consecutive days

Trader's licenses may not be issued if a business:

- Fails to register the trade/corporation name with the Maryland Department of Assessments and Taxation (MDAT). If you are forming a corporation, LLC, LLP or LP, call 410-767-1340. Sole proprietors and general partnerships should call 410-767-4991
- Fails to file a personal property return with MDAT. To check the status of a return, the legal entities should call the numbers listed above
- Fails to report commercial inventory on the personal property return
- Has unpaid personal property taxes and/or unpaid late filing penalty
- Has had their charter forfeited by MDAT. Call 410-767-1340 to request information and instructions to revive the charter