



Brooke E. Lierman
Comptroller

Edward F. Wykowski III
Director
Compliance Division

Date

John Doe
123 Main St
Baltimore, MD 21201

Re: CR No.
Bulk Sales Return
Estimated Tax Assessment

Dear Sir/Madam:

We have reviewed the Combined Registration Application you submitted, along with the records available to our office, and it appears that you may have purchased a business in Maryland.

IF YOU PURCHASED A BUSINESS IN MARYLAND – YOU MAY OWE MARYLAND SALES TAX ON THE PRICE OF THE TANGIBLE PERSONAL PROPERTY INCLUDED IN THE SALE OF THE BUSINESS.

- Maryland law requires a 6% sales tax to be paid on the purchase price of the **tangible** personal property that is included in the purchase of a business, unless specific exemptions apply. Examples of tangible personal property include:
 - Furniture, Fixtures, Equipment
- The tax does not apply to the following:
 - Any portion of the purchase price attributable to **real** property;
 - Intangibles, such as good will;
 - The price of inventory held solely for resale;
 - Titled motor vehicles;
 - Capitalized machinery and equipment used to manufacture products for sale.

WHAT TO DO

- If you paid the sales tax at the time of purchase, please send copies of the canceled check and settlement sheet, or bill of sale, to verify the transaction.
- If you have not already paid the sales tax on this transaction, please complete the enclosed sales tax return, and send it to us in the envelope provided. The applicable tax should be entered on lines 8, 10, and 15 of the return. If the tax due differs from the estimated assessment shown above, please provide a copy of the settlement sheet and/or bill of sale with your return.
- If there was not a sale but instead a lease agreement, please forward a copy of the lease agreement for review.

WHAT HAPPENS IF I DO NOT RESPOND

- If you do not respond within thirty (30) days from the date of this letter, an estimated assessment will be levied against you for the tax amount shown above plus interest and penalty.

If you have any questions or concerns, please feel free to contact me at the phone number or e-mail address shown below.

Sincerely,

Business Nexus Unit
(410) 767-1579 or 1-800-648-9638 (MD)
Fax: (410) 333-7749

Enclosures