

News Release

Franchot Reminds Taxpayers of Shop Maryland Tax-Free Week August 8-14

Maryland Retailers Association holds scholarship contest for students promoting shops; USM, other colleges matching prizes

ANNAPOLIS, Md. (August 2, 2021) – Comptroller Peter Franchot reminds taxpayers that Shop Maryland Tax-Free Week returns August 8-14 with significant savings for consumers, scholarship opportunities for college and trade school students, and a much-needed sales boost for retailers.

"Tax-free week is a rite of Maryland's late summer, signaling the approach of a new school year, cooler weather and a change of wardrobe," Comptroller Franchot said. "Maryland's high vaccination rates means life is beginning to return to normal. While I continue to urge caution, Marylanders should take advantage of tax-free week savings and support locally owned businesses that have been hit hard during the pandemic."

During the week, any single <u>qualifying article of clothing or footwear</u> priced \$100 or less – regardless of how many items are purchased in the same transaction – will be exempt from the state's six percent sales tax. The first \$40 of any backpack purchase is also tax free. Although commonly associated with back-to-school shopping, Comptroller Franchot reminds Marylanders that tax-free savings apply to shoppers of all ages.

The Comptroller's Office is partnering with the Maryland Retailers Association (MRA) to again offer scholarships to two students attending a Maryland university, college or trade school, with a \$1,000 award for first place and a \$500 prize for second place. The University System of Maryland has agreed to match the scholarship if either of the winning students attend one of its institutions. Winning students who attend Goucher College, Hood College, Mount St.

Mary's University, Stevenson University, Washington Adventist University and the Maryland Institute College of Art (MICA) will also have their scholarships doubled.

To enter, students must email a creative photo or video (less than 60 seconds) promoting tax-free week, showcasing their purchases and their support of Maryland retailers to **SHOPMDTAXFREE@marylandtaxes.gov** no later than August 15, 2021. Entries also should be posted on Facebook, Twitter, Instagram or TikTok using the hashtag **#shopmdtaxfree**. For best consideration, submissions should display and tag the name of the retailer and explain why it's their favorite place to shop tax free.

"Small businesses depend on their community to survive unexpected and longlasting economic downturns and we are just beginning to come out from under the crushing weight of the pandemic," said Cailey Locklair, president of the Maryland Retailers Association. "Students can win a scholarship simply by using their ingenuity to promote a local business."

Scholarship winners in past years have attended institutions throughout Maryland, including public universities, private schools and community colleges. <u>Last year's recipients</u> were recognized for their contributions to Maryland businesses during the pandemic.

For more information about Shop Maryland Tax-Free Week, visit the Comptroller's <u>website</u> for <u>a list of tax-exempt items</u>, <u>frequently asked questions</u>, and <u>valuable facts for shoppers and merchants</u>.

The Comptroller's social media pages will promote the special savings week, showcasing local retailers and encouraging shoppers to take advantage of the promotion. Retailers can also download Shop Maryland Tax-Free Week graphics to display in-store and to post on social media platforms.

