

## Loss of “Good Standing” status with MD SDAT (Maryland State Department of Assessments and Taxation)

### **Pursuant to Code of Maryland Regulations (COMAR) 36.03.02.17(D):**

Applicants (business entities) for Vendor Registration or Vendor Certification must be able to verify that the vendor’s business is in Good Standing status with Maryland State Department of Assessments and Taxation (MD SDAT) (except for Sole Proprietorships, Single-Member LLCs, and General Partnerships).

This Good Standing status requirement remains in effect for the 5-year duration of the Registration or Certification.

**Each applicant (business entity) has a continuing obligation to the Maryland Lottery and Gaming Control Commission (MLGCC) to maintain their company’s Good Standing status with MD SDAT.**

If it is determined that a company is no longer in Good Standing status with MD SDAT, written notification will be sent to the company by the Licensing Division of the Maryland Lottery and Gaming Control Agency (MLGCA). MLGCA will notify the company of their failure to conform to Commission regulations and require the company to immediately rectify their status with MD SDAT. Companies failing to return to Good Standing status with MD SDAT (within 30 days) may have their Registration or Certification cancelled.\*

### **PER COMAR 36.03.02.17:**

*“Vendors are prohibited from doing business with a casino [without approval or] because the Commission has denied or **cancelled**\* their Vendor Registration or Certification.”*

*“The Commission’s decision to deny or **cancel**\* a Vendor Registration or Certification does not give rise to an appeal right under the contested case provisions of the Maryland Administrative Procedure Act.”*

## Loss of Maryland State Department of Assessments and Taxation (MD SDAT) “Good Standing” status

The Commission (MLGCC) cannot address or discuss MD SDAT (Maryland State Department of Assessments and Taxation) policies regarding a business and its Good Standing status, whether it is either an in-State (Maryland) business or a foreign (out-of-State) business. All inquiries, questions, or concerns must be addressed to the MD SDAT agency directly and not through the Commission. Below please find additional information regarding MD SDAT, including how to contact personnel from that State agency:

- 1) \*Every business entity, to include both in-state (Maryland) businesses and out-of-state (foreign) businesses, must have a Maryland State Department of Assessments and Taxation (MD SDAT) “Certificate of Good Standing” either prior to, or just after, that business and a Maryland casino enter into a written business relationship. This MD SDAT requirement arrangement is between the business and the Casino Representative. MD SDAT (which includes Maryland Real Property Value Tax) for in-state Vendors is required. \*The only exception to this is a business entity that is owned by either a Sole Proprietorship, or a Single-Member LLC, or a General Partnership. If this is the case with any business entity, the business entity must submit a Federal Tax Form W-9, completed and signed, along with their Vendor Form (application). Please use this link on our agency Web site page to obtain a copy of this Federal Tax Form W-9:

<http://gaming.mdlottery.com/wp-content/uploads/2015/05/W-9-Form-IRS-Rev-12-2014.pdf>

Please use this MD SDAT Web site link to determine if a business entity enjoys “Good Standing” status:

<http://sdat.resiusa.org/ucc-charter/Pages/CharterSearch/default.aspx>

**NOTE:** Our agency does not accept Comptroller of Maryland Good Standing Certificate letters. The Comptroller’s Office is not the same State Agency as MD SDAT, even though both agencies collect different types of taxes from businesses. Every business is assigned its own alpha-numeric identifier by each agency – and these identifiers do not match. MD SDAT’s identifier for a business is 9 characters long, and the Comptroller’s Office identifier for a business is 10 characters long.

If you cannot locate your company’s status, please contact the Charter Unit of MD SDAT.

Their e-mail addresses are: [charterhelp@dat.state.md.us](mailto:charterhelp@dat.state.md.us) -OR- [sdat.charterhelp@maryland.gov](mailto:sdat.charterhelp@maryland.gov)

Their *Frequently Asked Questions (FAQ)* Web site address is: <http://www.dat.state.md.us/sdatweb/charterfaq.html>

Their “New Businesses / Charter Legal Review” phone number is 410-767-1350.

Their “Corporate Charter Division / Newly Filed Documents” phone number is 410-767-1340.

Regardless of when the applicable “Certificate of Good Standing” for a business entity is acquired from MD SDAT, no Vendor Form, either Registered or Certified, will be accepted by MLGCA unless a MD SDAT “Certificate of Good Standing” for your business accompanies the submitted Vendor Registration or Certification Form.

- 2) MD SDAT (which includes Maryland Real Property Value Tax) for out-of-state (foreign) Vendors is required. Some Vendors may find this to be a difficult and time-consuming step, but there are Maryland Resident Agent companies that will assist with this process (for a fee). A decision will need to be made by each Vendor regarding this service. Some Vendors may determine that the fee might be worthwhile when considering that by using these services, a Vendor is able to obtain a MD SDAT Department Entity Number within a few days, rather than wait weeks to obtain it from MD SDAT office. The casino should be able to provide telephone numbers of the Maryland companies that provide this service, **but our office cannot.** [You may also “Google” *Maryland Resident Agent* companies to view a current listing].  
The MD SDAT *Frequently Asked Questions (FAQ)* Web site address is: <http://www.dat.state.md.us/sdatweb/nonmaryland.html>

That said, out-of-state (foreign) Vendors may also obtain their MD SDAT Department / Entity Number - and their MD SDAT “Certificate of Good Standing” - directly from MD SDAT by doing the following:

a) Go to the MD SDAT Web site: <http://sdat.resiusa.org/ucc-charter/Pages/CharterSearch/default.aspx>

b) On the top toolbar, click on “Forms & Applications”

c) Scroll down to “FOREIGN (non-Maryland) BUSINESSES” and click on “Foreign Corporation Qualification Form”

d) Complete the form with applicable fee(s).

e) *If desired*, contact MD SDAT (410-767-1340/1350) to inquire how to expedite this process and pay the expedited fee amount; you may fax requests for expedited service at MD SDAT to 410-333-7097 (expedited fees will apply).

Any business entity that makes application to conduct business with any Maryland casino, (for the purpose of providing non-gaming goods/services), must first be in “Good Standing” status with MD SDAT. *[The only exceptions to having this status are Sole Proprietorships, Single-Member LLCs, and General Partnerships].*

Please use this MD SDAT link to check the “Good Standing” status of your business:

<http://sdat.resiusa.org/ucc-charter/Pages/CharterSearch/default.aspx>

Under the **Status** column on this open link page, one of the below-listed 10 definitions will be displayed:

### **MD SDAT Definitions of Term**

**STATUS** - The legal status of this entity or its registration with MD SDAT. Status could be any one of the following 10 definitions: **Cancelled, Forfeited, Merged, Consolidated, Dissolved, Old Name, Revived, Incorporated, (Name) Active, or Inactive.**

**CANCELLED** – For certain entities, the date their authority to do business in Maryland, or their existence, terminated.

**FORFEITED** – For a Maryland entity, its existence has been ended by the State for some delinquency. For a non-Maryland (foreign) entity, it means its authority to do business and legal presence here has been terminated. For a trade name, it means the filing has lapsed after 5 years and has not been renewed.

**MERGED** – The legal existence of this entity ceased with its merger into another entity.

**CONSOLIDATED** – The legal existence of this entity ended with its voluntary consolidation with one or more other entities to form a new and separate entity.

**DISSOLVED** – For a Maryland entity, it voluntarily ended its existence. For a non-Maryland (foreign) entity, it voluntarily ended its registration.

**OLD NAME** – During the term of its existence, an entity may change its name one or more times. In order to trace an entity which has changed its name to something else, the old name will continue to appear when a name search is done. If you select an item with *Old Name* in the **Status** column, the current name, and not the name you selected, will appear on subsequent pages.

**REVIVED** – The entity is currently back to Active Status after having been Forfeited in the past. The entity took the legal steps necessary to reinstate its existence.

**INCORPORATED** – The corporation is legally active and present in Maryland.

**(NAME) ACTIVE** – This unincorporated entity is legally active and present in Maryland.

**INACTIVE** – The entity is not legally active and/or present in Maryland.

**Per Code of Maryland Regulations (COMAR) 36.03.02.17**

Maryland Law requires that: *“Any person/company (Vendor) who provides non-gaming related goods/services to a Video Lottery Terminal (VLT) operation licensee (a casino) is required to be Registered or Certified with the Maryland Lottery and Gaming Control Commission [MLGCC] in order to conduct business with a facility (casino) within the State of Maryland.”*

**COMAR 36.03.02.17**

.17 Vendor Registration and Certification

**A. Definition**

(1) In this regulation, the following term has the meaning indicated.

(2) Term Defined. “Vendor” means a person who provides goods or services to a video lottery operation applicant or licensee (a casino) [*and who is not required to be licensed as a Manufacturer or Contractor under State Government Article, Title 9, Subtitle 1A, Annotated Code of Maryland, or this subtitle*], and includes:

- (a) Suppliers of alcoholic beverages;
- (b) Suppliers of food and non-alcoholic beverages;
- (c) Refuse handlers;
- (d) Vending machine providers and service personnel;
- (e) Janitorial and maintenance companies;
- (f) Tenant businesses or franchises located within facilities if such goods and services are NOT gaming-related;
- (g) Providers of transportation services if such services are NOT gaming-related;
- (h) Persons involved in the construction of a facility (casino);
- (i) Lessors of real property or goods;
- (j) Payroll services and other employer-related services;
- (k) Employee recruiting services; and
- (l) Persons whose services **the Commission reviews and determines** MUST be Registered or Certified under this regulation.

**B. A Vendor that conducts business with a Video Lottery Terminal (VLT) operation licensee (a casino) SHALL be Registered or Certified by the Commission if the vendor is not exempt, and:**

(1) The vendor is providing non-gaming goods and services to a Video Lottery Terminal (VLT) operation applicant or licensee (a casino) for a value described in Sections D and E of this regulation; or

(2) The Commission:

(a) Reviews a vendor's services and determines that Registration or Certification is required to protect the public interest of the State of accomplish the policies in State Government Article, Title 9, Subtitle 1A, Annotated Code of Maryland, and this subtitle; and

(b) Notifies the vendor that Registration or Certification is required.

**C. The following persons that provide any of the enumerated services to a Video Lottery Terminal (VLT) operation applicant or licensee (a casino) are EXEMPT from Vendor Registration and Certification requirements:**

(1) Public utilities that provide:

- (a) Water;
- (b) Sewerage;
- (c) Electricity; or
- (d) Natural gas;

(2) Insurance companies that provide insurance to a Video Lottery Terminal (VLT) applicant or licensee (casino) or its employees;

(3) Employee benefit and retirement plans, including 401(k) plans and employee stock purchase programs;

(4) Professional associations that receive funds from the Video Lottery Terminal (VLT) applicant or licensee for the cost of enrollment, activities, and membership;

(5) Units of Federal, State, County or Municipal Governments;

(6) Manufacturers of alcoholic beverages;

(7) State-chartered or Federally-chartered banks or savings and loan associations;

(8) Providers of professional services, including accountants, attorneys, engineers or architects – and others identified by Commission Staff to be providers of professional services;

(9) Telecommunication, satellite, or Internet services (such as Comcast, Verizon, AT&T, etc.)

(10) Shipping services (such as FedEx or UPS, etc.)

(11) Persons that engage in efforts to influence legislative or administrative action on behalf of a Video Lottery Terminal (VLT) operation applicant or licensee (casino) for economic consideration;

(12) Education or training opportunities for facility employees (such as out-of-state hotels or rental car companies);

(13) Professional entertainers, sports figures, or other celebrities engaged by a Video Lottery Terminal (VLT) operation licensee (a casino) to appear at a casino-sponsored entertainment or promotional event;

(14) Representatives of a media outlet or provider of a simulcast services;

(15) A vendor that provides, or anticipates providing, within a calendar year, a combined total value of non-gaming related goods and service to State Video Lottery Terminal (VLT) operation applicant or licensee (a casino) of **LESS THAN \$2,500**; or

(16) A vendor for whom the Commission determines Registration or Certification is not necessary in order to protect the public interest.

#### **D. Vendor Registration.**

(1) A vendor that provides, or anticipates providing, in a calendar year, non-gaming related goods and services to a Video Lottery Terminal (VLT) applicant or licensee (casino) **that are valued FROM \$2,500 to \$99,999 SHALL be Registered** with the Commission.

(2) The Video Lottery Terminal (VLT) applicant or licensee to whom a vendor provides, or anticipates providing, the non-gaming related goods and services SHALL submit to the Commission a completed Registration Form in a format designated by the Commission ([Vendor Registration Form 1023](#)) that includes:

(a) Vendor name;

(b) Vendor business address;

(c) Type of goods or service provided;

(d) Total value of goods or services provided to video lottery applicants or licensees (casinos) in the State within a calendar year;

**(e) Verification that the vendor's business is in Good Standing status with MD SDAT - the Maryland State Department of Assessments and Taxation [NOTE: the only exceptions are Sole Proprietorships, Single-Member LLCs, or General Partnerships]; and**

(f) Any other information the Commission requires.

(3) Upon receipt of a completed Vendor Registration Form, the Commission shall provide the applicant or licensee with written notification of whether it has registered (approved) the vendor.

## E. Vendor Certification.

(1) A vendor that provides, or anticipates providing, in a calendar year non-gaming related goods and services to a Video Lottery Terminal (VLT) applicant or licensee (casino) **that are valued at or above \$100,000, SHALL be Certified by the Commission.**

(2) A vendor that provides, or anticipates providing, the non-gaming related goods and services SHALL submit to the Commission a:

(a) Completed Certification Form in a format designed by the Commission ([Vendor Certification Form 1021](#) or [Vendor Certification-Construction Version Form 1021CC](#)) that includes:

(i) Vendor name;

(ii) Vendor business address;

(iii) Each Video Lottery Terminal (VLT) operation applicant or licensee (a casino) in the State with which it does, or expects to do, business;

(iv) Type of service provided;

(v) Total value of goods or services provided to Video Lottery Terminal (VLT) applicants or licensees (casinos) in the State within a calendar year;

(vi) Any other jurisdiction where it conducts business related to a video lottery operation (a casino);

**(vii) Verification that the vendor's business is in Good Standing status with MD SDAT – the Maryland State Department of Assessments and Taxation; and**

(viii) Any other information the Commission requires; AND

(b) Certification Fee of \$500 (*this non-refundable fee is made payable to MLGCA in the form of either a certified check, bank check, company check, money order or wire transfer – see Page 3 of both Vendor Certification Forms 1021 and 1021CC for additional details*).

(3) Upon receipt of a non-refundable Certification Fee of \$500, and a Complete Certification Form (either Form 1021 or 1021CC), the Commission shall verify the information provided by the vendor and:

(a) If the Commission determines that the vendor's conduct of business with a Video Lottery Terminal (VLT) operation applicant or licensee (a casino) is consistent with the public interest of the State and the policies in State Government Article, Title 9, Subtitle 1A, Annotated Code of Maryland, and this subtitle, GRANT (approval of) the vendor's Application for Certification; or

(b) If the Commission determines that the vendor's conduct of business with a Video Lottery Terminal (VLT) operation applicant or licensee (casino) is contrary to the public interest of the State or the policies in State Government Article, Title 9, Subtitle 1A, Annotated Code of Maryland, or this subtitle, DENY the vendor's Application for Certification.

(4) The Commission shall provide the vendor with written notification of its decision (via e-mail).

**F. A non-exempt vendor may not conduct business that relates to facility operations with a Video Lottery Terminal (VLT) operation applicant or licensee (a casino) UNTIL IT IS REGISTERED OR CERTIFIED BY THE COMMISSION.**

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A Vendor's APPROVED Registration or Certification status with the Commission:

- Remains in effect for 5 years from the date the Commission approves either Vendor Registration or Vendor Certification\*;
- May be renewed by the Commission if the applicable Vendor Form, and any required non-refundable Certification Fees, are submitted as required **at least 90 days before the expiration of 5 years** from the date of written notification of Vendor Approval;
- Shall automatically expire if a vendor does not comply with renewal requirements (by the original expiration date, which is 5 years from the original approval date); and
- Is subject to Cancellation by the Commission if the Commission determines that the vendor's continued conduct of business with a casino is contrary to the public interest of the State

\*If, during this 5-year period, it is determined that the vendor has lost its Good Standing status with MD SDAT (Maryland State Department of Assessments and Taxation), the Commission will notify the Vendor of this deficiency and the Vendor then has thirty (30) days to rectify/correct this deficiency and once again, re-gain, and maintain, its Good Standing status with MD SDAT. Failure to do so may result in the Vendor's Approved status to be cancelled and their name removed from the Approved Vendor's List on the Commission's Web site page: <http://gaming.mdlottery.com/licensing/approved-vendors/>

Such cancellation of a Vendor's approved status **DOES NOT GIVE RISE TO AN APPEAL RIGHT** under the contested case provision of the Maryland Administrative Procedures Act.

Once a vendor's name is removed from the Approved Vendor List, it will be added to the Prohibited Vendors List, which may also be located on the Commission's Web site page (at the discretion of the Commission).

Be advised that a cancellation of Vendor Registration/Certification in Maryland may jeopardize a vendor's status with other States gaming and regulatory agencies, as well as any re-application to the Commission.

**Vendors may be either Maryland businesses or foreign (out-of-State) businesses. Foreign businesses are still required to comply with MD SDAT rules and regulations whether or not they:**

**Have offices in Maryland**

**Have employees in Maryland**

**Have real assets in Maryland**