



MARYLAND ARTS AND ENTERTAINMENT DISTRICTS

TAX INCENTIVES



ARTISTS

PAY NO MARYLAND INCOME TAX!

Maryland-based artists pay no state income tax on the money they earn from performances or art made and sold in an A&E district.

msac.org



ARTIST ELIGIBILITY

If you own or rent a home in Maryland and earn income from an arts business or artistic work in an A&E District, you may qualify for tax incentives.

To claim the modification, submit Form 502AE with your annual filing.





ARTS & ENTERTAINMENT
DISTRICTS

ARTISTS - LOOKING FOR A TAX BREAK?

Maryland-based artists pay no state income tax on the money they earn from performances or art made and sold in an A&E district. This is called the Arts and Entertainment (A&E) Income Tax Subtraction Modification (ITSM).

See if you qualify following the chart below.

Are you a **Maryland resident**?

Yes

No

Did you **earn income on performances or art made and sold** in any of Maryland's 29 A&E Districts?

Check district boundaries at msac.org/explore.

No

Yes

Do you make original art that **fits the definition of "Artistic Work"**?

An original and creative work that is created, written, composed, or executed and falls into one of the following categories: (i) a book or other writing; (ii) a play or performance of a play; (iii) a musical composition or the performance of a musical composition; (iv) a painting or other picture; (v) a sculpture; (vi) traditional or fine crafts; (vii) the creation of a film or the acting within a film; (viii) the creation of a dance or the performance of a dance; (ix) the creation of original jewelry, clothing, or design; or (x) any other product generated as a result of a work listed in items (i) through (ix) above.

No

Unsure

Need more information?

Review the [ITSM FAQ](#) or fill out the A&E Districts Question Form at bit.ly/AEQuestion.

Is your art **industry-related**?

Industry-related means work that would otherwise meet the artistic work definition but is produced at a large volume or for a commercial purpose.

Yes

Unsure

Yes

No

Sorry! The A&E ITSM is not for you.

Discover other artist resources at msac.org.

You may qualify! Consider completing a Form 502AE with your Maryland income tax filing.

Find the latest form at marylandtaxes.gov.

msac.org



DID YOU KNOW?

Qualified businesses located in an A&E District may be exempt from collection of the Admissions and Amusement Tax.



PROPERTY TAX INCENTIVES

Planning to renovate or develop a non-residential property in one of Maryland's A&E Districts?

Talk with your local District Manager about property tax incentives for new commercial development.



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Use our interactive map to
find A&E Districts near you.

msac.org/explore