

Maryland Security Deposit Laws: Limits, Deductions and Deadlines

Summary for landlords and property managers. Last reviewed October 29, 2026. Full guide: <https://www.generationadvisory.com/laws/maryland-security-deposit-laws>

Since the Renters' Rights and Stabilization Act of 2024, most Maryland deposits are limited to one month's rent. Landlords must hold deposits in a Maryland bank account, pay interest and return the balance with an itemized list within 45 days.

Key points

- A security deposit may not exceed one month's rent per unit, with a limited exception up to two months' rent for tenants in a state utility assistance arrangement.
- Within 45 days after the tenancy ends, the landlord must return the deposit with interest, less any amounts properly withheld.
- If any amount is kept, the landlord must mail a written list of the damages with an itemized statement of costs within 45 days, or lose the right to withhold.
- Deposits of \$50 or more earn simple interest at the one year U.S. Treasury rate set at the start of each year, or 1.5 percent, whichever is greater.
- A landlord who keeps any part of a deposit without a reasonable basis can owe up to three times the amount withheld plus attorney fees.

Maryland at a glance

Rule	Maryland	Law
Deposit limit	A security deposit may not exceed one month's rent per unit, with a limited exception up to two months' rent for tenants in a state utility assistance arrangement.	Md. Code, Real Property 8-203
Deadline to return the deposit	Within 45 days after the tenancy ends, the landlord must return the deposit with interest, less any amounts properly withheld.	Md. Code, Real Property 8-203
Itemized deductions	If any amount is kept, the landlord must mail a written list of the damages with an itemized statement of costs within 45 days, or lose the right to withhold.	Md. Code, Real Property 8-203

Rule	Maryland	Law
Interest on deposits	Deposits of \$50 or more earn simple interest at the one year U.S. Treasury rate set at the start of each year, or 1.5 percent, whichever is greater.	Md. Code, Real Property 8-203
Penalty for wrongful withholding	A landlord who keeps any part of a deposit without a reasonable basis can owe up to three times the amount withheld plus attorney fees.	Md. Code, Real Property 8-203

Mistakes to avoid

- Skipping a dated move-in condition report with photos, then having nothing to compare against at move out.
- Charging for normal wear and tear.
- Missing the return deadline, even by a few days.
- Not asking for a forwarding address before the tenant leaves.
- Losing track of deposit money by mixing it with operating funds without a ledger.

Verify current law

Laws named in this summary:

- Md. Code, Real Property 8-203
- Md. Code, Real Property 8-203 and 8-203.1

Official sources:

- Maryland Code, Real Property Article, Title 8 (Maryland General Assembly):
<https://mgaleg.maryland.gov/mgaweb/Laws/StatuteText?article=grp&section=8-401&enactments=false>
- Renters' Rights and Stabilization Act of 2024, HB 693, Chapter 124 (Maryland General Assembly):
<https://mgaleg.maryland.gov/mgaweb/Legislation/Details/hb0693?ys=2024RS>
- Tenant Safety Act of 2024, HB 1117, Chapter 125 (Maryland General Assembly):
<https://mgaleg.maryland.gov/mgaweb/Legislation/Details/hb1117?ys=2024RS>
- Maryland Courts: landlord and tenant cases: <https://www.mdcourts.gov/>

General information, not legal advice. Check current law and talk to a Maryland attorney before you act. Last reviewed October 29, 2026.