withhold payment of 3% of the contract price until 30 days after the nonresident contractor has:

        (i)   completed the contract;

        (ii)   requested in writing for the Comptroller to issue a tax clearance certificate; and

        (iii)   provided a receipted copy of the request to the person required to withhold the payment.

        (2)   This subsection applies only to a person who enters into a direct contract with a nonresident contractor and may not be construed to impose any liability on an owner of property unless the owner enters into a direct contract with a nonresident contractor.

        (3)   This subsection does not apply to:

        (i)   an owner of property who contracts for the improvement of residential real property that the owner occupies or intends to occupy; or

        (ii)   a contract for the improvement of real property if the total value of the improvement is less than $500,000 or a subcontract under a contract for the improvement of real property if the total value of the improvement is less than $500,000.

        (c)   (1)   Within 30 days after receipt of a written request for a tax clearance certificate, the Comptroller shall furnish to the nonresident contractor and to the person required to withhold the payment:

        (i)   a certificate of no tax due from the nonresident contractor; or

        (ii)   a certificate that taxes are due, including the amount of sales and use tax, income tax withheld, or both, due from the nonresident contractor including any interest and penalties.

        (2)   If the Comptroller furnishes a certificate of no tax due from the nonresident contractor or if the Comptroller fails to provide, within 30 days after receipt of a written request for a tax clearance certificate, to both the nonresident contractor and the person required to withhold the payment, a certificate under paragraph (1)(i) or (ii) of this subsection, the person required to withhold the payment may pay the nonresident contractor the amount withheld under the terms of the contract free from any claims of the Comptroller against the person required to withhold the payment.