
By: **Delegates Hixson, Bozman, Gordon, Healey, Howard, Marriott, and
Patterson**

Introduced and read first time: February 6, 2003
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 21, 2003

CHAPTER 311

1 AN ACT concerning

2 **Streamlined Sales and Use Tax Agreement**

3 FOR the purpose of ~~adopting~~ acknowledging a certain Streamlined Sales and Use Tax
4 Agreement; requiring the Comptroller to prepare and submit a certain report
5 regarding changes to the State's laws, regulations, or policies needed to bring
6 the State into compliance with the Agreement and certain other changes
7 recommended by the Comptroller; and generally relating to the ~~adoption~~
8 acknowledgment of the Streamlined Sales and Use Tax Agreement.

9 BY adding to
10 Article - Tax - General
11 Section 11-106
12 Annotated Code of Maryland
13 (1997 Replacement Volume and 2002 Supplement)

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article - Tax - General**

17 11-106.

18 (A) IN THIS SECTION, "AGREEMENT" MEANS THE STREAMLINED SALES AND
19 USE TAX AGREEMENT AS ADOPTED BY THE MEMBER STATES OF THE STREAMLINED
20 SALES AND USE TAX PROJECT ON NOVEMBER 12, 2002.

1 (B) (1) THE STATE OF MARYLAND HEREBY ~~ADOPTS~~ ACKNOWLEDGES THE
2 STREAMLINED SALES AND USE TAX AGREEMENT AS ADOPTED BY THE MEMBER
3 STATES OF THE STREAMLINED SALES AND USE TAX PROJECT ON NOVEMBER 12, 2002.

4 (2) ON OR BEFORE NOVEMBER 15, 2003, THE COMPTROLLER SHALL
5 PREPARE AND SUBMIT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE STATE
6 GOVERNMENT ARTICLE, THE SENATE BUDGET AND TAXATION COMMITTEE AND THE
7 HOUSE COMMITTEE ON WAYS AND MEANS A REPORT THAT:

8 (I) IDENTIFIES:

9 1. ANY CHANGES TO STATE STATUTES, REGULATIONS, OR
10 POLICIES THAT NEED TO BE MADE IN ORDER TO BRING THE STATE INTO
11 COMPLIANCE WITH THE AGREEMENT; AND

12 2. ANY OTHER CHANGES TO STATE LAWS THAT WOULD NOT
13 BE REQUIRED BUT THAT THE COMPTROLLER RECOMMENDS SHOULD REASONABLY
14 BE MADE IN CONNECTION WITH IMPLEMENTING THE AGREEMENT; AND

15 (II) FOR EACH CHANGE IDENTIFIED UNDER ITEM (I) OF THIS
16 PARAGRAPH:

17 1. ESTIMATES THE IMPACT OF THAT CHANGE ON STATE
18 SALES AND USE TAX REVENUE; AND

19 2. IDENTIFIES AND EXPLAINS ANY FISCAL OR POLICY
20 ISSUES THAT WOULD BE ASSOCIATED WITH THE CHANGE.

21 ~~(C) NOTWITHSTANDING THE ADOPTION OF THE AGREEMENT UNDER THIS~~
22 ~~SECTION:~~

23 ~~(1) NO PROVISION OF THE AGREEMENT IN WHOLE OR IN PART~~
24 ~~INVALIDATES OR AMENDS ANY PROVISION OF THE LAW OF THIS STATE;~~

25 ~~(2) ADOPTION OF THE AGREEMENT DOES NOT AMEND OR MODIFY ANY~~
26 ~~OTHER PROVISION OF THIS TITLE OR OTHER LAW OF THIS STATE; AND~~

27 ~~(3) IMPLEMENTATION OF ANY CONDITION OF THE AGREEMENT IN THIS~~
28 ~~STATE, WHETHER ADOPTED BEFORE, AT, OR AFTER ADOPTION OF THE AGREEMENT~~
29 ~~BY THIS STATE, MUST BE BY THE ACTION OF THIS STATE.~~

30 ~~(D) (1) (I) THE AGREEMENT ADOPTED BY THIS SECTION BINDS AND~~
31 ~~INURES ONLY TO THE BENEFIT OF THIS STATE AND THE OTHER MEMBER STATES.~~

32 ~~(II) NO PERSON, OTHER THAN A MEMBER STATE, IS AN INTENDED~~
33 ~~BENEFICIARY OF THE AGREEMENT.~~

34 ~~(III) ANY BENEFIT TO A PERSON OTHER THAN A STATE MUST BE~~
35 ~~ESTABLISHED BY THE LAW OF THIS STATE AND THE OTHER MEMBER STATES AND~~
36 ~~NOT BY THE TERMS OF THE AGREEMENT.~~

1 ~~(2) (4) NO PERSON SHALL HAVE ANY CAUSE OF ACTION OR DEFENSE~~
2 ~~UNDER THE AGREEMENT OR BY VIRTUE OF THE STATE'S ADOPTION OF THE~~
3 ~~AGREEMENT.~~

4 ~~(H) NO PERSON MAY CHALLENGE, IN ANY ACTION BROUGHT~~
5 ~~UNDER ANY PROVISION OF LAW, ANY ACTION OR INACTION BY ANY DEPARTMENT,~~
6 ~~AGENCY, OR OTHER INSTRUMENTALITY OF THIS STATE, OR ANY POLITICAL~~
7 ~~SUBDIVISION OF THIS STATE, ON THE GROUND THAT THE ACTION OR INACTION IS~~
8 ~~INCONSISTENT WITH THE AGREEMENT.~~

9 ~~(3) NO LAW OF THIS STATE, OR THE APPLICATION THEREOF, MAY BE~~
10 ~~DECLARED INVALID AS TO ANY PERSON OR CIRCUMSTANCE ON THE GROUND THAT~~
11 ~~THE PROVISION OR APPLICATION IS INCONSISTENT WITH THE AGREEMENT.~~

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
13 effect July 1, 2003.