

SENATE BILL 17

Q4

2lr0451

(PRE-FILED)

By: **Senator Ramirez**

Requested: August 16, 2011

Introduced and read first time: January 11, 2012

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Tax-Free Week – School Supplies and Personal**
3 **Computers**

4 FOR the purpose of altering a certain sales and use tax exemption to include certain
5 school supplies and certain personal computers, subject to certain limitations;
6 defining certain terms; and generally relating to the designation of a certain
7 annual sales tax-free week in the State.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 11-228
11 Annotated Code of Maryland
12 (2010 Replacement Volume and 2011 Supplement)

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

15 **Article – Tax – General**

16 11-228.

17 (a) **(1)** In this section[, “accessory items”] **THE FOLLOWING WORDS**
18 **HAVE THE MEANINGS INDICATED.**

19 **(2)** **“ACCESSORY ITEMS”** includes jewelry, watches, watchbands,
20 handbags, handkerchiefs, umbrellas, scarves, ties, headbands, and belt buckles.

21 **(3) (1)** **“PERSONAL COMPUTER”** MEANS A LAPTOP, DESKTOP,
22 **OR TOWER COMPUTER SYSTEM PURCHASED FOR NONBUSINESS USE THAT**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 CONTAINS AT A MINIMUM A CENTRAL PROCESSING UNIT, RANDOM ACCESS
2 MEMORY, A STORAGE DRIVE, A DISPLAY MONITOR, AND A KEYBOARD.

3 (II) "PERSONAL COMPUTER" INCLUDES ALL COMPUTER
4 HARDWARE AND SOFTWARE SOLD TOGETHER WITH A COMPUTER SYSTEM IN THE
5 SAME RETAIL SALE.

6 (4) "SCHOOL SUPPLY" MEANS ANY ITEM, INCLUDING
7 ELECTRONIC DEVICES, PURCHASED FOR USE IN THE CLASSROOM, FOR SCHOOL
8 WORK COMPLETED IN SCHOOL, OR FOR ANY SCHOOL ACTIVITY.

9 (b) (1) Beginning in calendar year 2010, the 7-day period from the second
10 Sunday in August through the following Saturday shall be a tax-free period for
11 back-to-school shopping in Maryland during which the exemption under paragraph
12 (2) of this subsection shall apply.

13 (2) During the tax-free period for back-to-school shopping established
14 under paragraph (1) of this subsection, the sales and use tax does not apply to the sale
15 of:

16 (I) any item of clothing or footwear, excluding accessory items,
17 if the taxable price of the item of clothing or footwear is \$100 or less;

18 (II) ANY SCHOOL SUPPLY, IF THE TAXABLE PRICE OF THE
19 ITEM IS \$100 OR LESS; OR

20 (III) ANY PERSONAL COMPUTER, IF THE TAXABLE PRICE OF
21 THE PERSONAL COMPUTER IS \$600 OR LESS.

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 July 1, 2012.