HOUSE BILL 862

Q4 4lr1979
HB 52/13 – W&M

By: **Delegates F. Turner, Carr, Dumais, Guzzone, Hixson, Howard, Ivey, Kaiser, Lee, McIntosh, A. Miller, Mizeur, Pendergrass, Reznik, Serafini, Walker, and A. Washington**
Introduced and read first time: February 5, 2014
Assigned to: Ways and Means

A BILL ENTITLED

AN ACT concerning

Sales and Use Tax – Tax–Free Periods – University and College Textbooks

FOR the purpose of designating certain periods each year to be tax–free periods during which an exemption from the sales and use tax is provided for the sale of certain textbooks purchased by certain individuals; defining a certain term; and generally relating to sales and use tax–free periods for the sale of university and college textbooks.

BY adding to
Article – Tax – General
Section 11–232
Annotated Code of Maryland
(2010 Replacement Volume and 2013 Supplement)

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

Article – Tax – General

11–232.

(A) IN THIS SECTION, "TEXTBOOK" MEANS A BOOK:

(1) WRITTEN, DESIGNED, AND PRODUCED FOR EDUCATIONAL, INSTRUCTIONAL, OR PEDAGOGICAL PURPOSES; AND

(2) REQUIRED FOR A COURSE AT A COMMUNITY COLLEGE ESTABLISHED UNDER TITLE 16 OF THE EDUCATION ARTICLE, A PRIVATE

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

NONPROFIT INSTITUTION OF HIGHER EDUCATION AS DEFINED IN § 10–101(K) OF THE EDUCATION ARTICLE, A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AS DEFINED IN § 10–101(M) OF THE EDUCATION ARTICLE, OR A REGIONAL HIGHER EDUCATION CENTER AS DEFINED IN § 10–101(N) OF THE EDUCATION ARTICLE.

(B) (1) BEGINNING IN CALENDAR YEAR 2014, THE 14–DAY PERIOD BEGINNING WITH THE LAST 7 DAYS OF AUGUST AND CONTINUING THROUGH THE FIRST 7 DAYS OF SEPTEMBER SHALL BE A TAX–FREE PERIOD FOR RETURN–TO–SCHOOL SHOPPING IN MARYLAND DURING WHICH THE EXEMPTION UNDER PARAGRAPH (3) OF THIS SUBSECTION SHALL APPLY.

(2) BEGINNING IN CALENDAR YEAR 2015, IN ADDITION TO THE TAX–FREE PERIOD ESTABLISHED IN PARAGRAPH (1) OF THIS SUBSECTION, THE LAST 14 DAYS OF JANUARY SHALL BE A TAX–FREE PERIOD FOR RETURN–TO–SCHOOL SHOPPING IN MARYLAND DURING WHICH THE EXEMPTION UNDER PARAGRAPH (3) OF THIS SUBSECTION SHALL APPLY.

(3) DURING THE TAX–FREE PERIODS FOR RETURN–TO–SCHOOL SHOPPING ESTABLISHED UNDER PARAGRAPHS (1) AND (2) OF THIS SUBSECTION, THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF A TEXTBOOK THAT IS PURCHASED BY A FULL–TIME OR PART–TIME STUDENT ENROLLED AT A COMMUNITY COLLEGE ESTABLISHED UNDER TITLE 16 OF THE EDUCATION ARTICLE, A PRIVATE NONPROFIT INSTITUTION OF HIGHER EDUCATION AS DEFINED IN § 10–101(K) OF THE EDUCATION ARTICLE, A PUBLIC SENIOR HIGHER EDUCATION INSTITUTION AS DEFINED IN § 10–101(M) OF THE EDUCATION ARTICLE, OR A REGIONAL HIGHER EDUCATION CENTER AS DEFINED IN § 10–101(N) OF THE EDUCATION ARTICLE.

(C) AN INDIVIDUAL MAY ESTABLISH FULL–TIME OR PART–TIME STUDENT STATUS BY PRODUCING A VALID STUDENT IDENTIFICATION CARD AT THE TIME OF PURCHASE OF THE TEXTBOOK.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2014.