SENATE BILL 9

Q4 4lr0347

(PRE–FILED)

By: **Senator Astle**
Requested: July 24, 2013
Introduced and read first time: January 8, 2014
Assigned to: Budget and Taxation

A BILL ENTITLED

AN ACT concerning

Sales and Use Tax – Exemption – Veterans Organizations That Sell Marine Corps Uniforms

FOR the purpose of providing that the sales and use tax does not apply to a sale by certain tax–exempt veterans organizations that sell certain United States Marine Corps uniforms; providing for the application of this Act; and generally relating to a sales and use tax exemption for certain tax–exempt veterans organizations.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 11–204(b)(6) and (7)
Annotated Code of Maryland
(2010 Replacement Volume and 2013 Supplement)

BY adding to
Article – Tax – General
Section 11–204(b)(8)
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

11–204.

(b) The sales and use tax does not apply to a sale by:

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

(6) a parent–teacher organization or other organization within an elementary or secondary school in the State or within a school system in the State; **[**or**]**

(7) subject to subsection (e) of this section, a bona fide church, religious organization, or other nonprofit organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code if:

(i) the sale is made at an auction sale; and

(ii) the proceeds of the sale are used to carry on the exempt purposes of the church or organization**; OR**

(8) A VETERANS ORGANIZATION THAT:

(I) IS QUALIFIED AS TAX EXEMPT UNDER § 501(C)(19) OF THE INTERNAL REVENUE CODE; AND

(II) SELLS UNITED STATES MARINE CORPS UNIFORMS THAT HAVE BEEN APPROVED AND CERTIFIED BY THE UNITED STATES MARINE CORPS SYSTEMS COMMAND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed to apply retroactively and shall be applied to and interpreted to affect any sale occurring on or after July 1, 2010.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2014.