

HOUSE BILL 694

Q4

6lr3204

By: **Delegates A. Miller, Brooks, Jalisi, and Lam**

Introduced and read first time: February 5, 2016

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Tax-Free Period – Emergency Preparedness Equipment**

3 FOR the purpose of establishing a tax-free period each year during which a certain sales
4 and use tax exemption for the sale of certain emergency preparedness items is
5 provided; requiring the Executive Director of the Maryland Emergency Management
6 Agency to publish a certain list on or before a certain date; authorizing the Executive
7 Director to amend a certain list under certain circumstances; defining certain terms;
8 providing for the termination of this Act; and generally relating to sales and use tax
9 exemptions.

10 BY adding to

11 Article – Tax – General

12 Section 11-228.1

13 Annotated Code of Maryland

14 (2010 Replacement Volume and 2015 Supplement)

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

17 **Article – Tax – General**

18 **11-228.1.**

19 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
20 **INDICATED.**

21 **(2) “EMERGENCY PREPAREDNESS EQUIPMENT” INCLUDES**
22 **EMERGENCY PREPAREDNESS ITEMS AS DEFINED BY THE EXECUTIVE DIRECTOR BY**
23 **REGULATION.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(3) “EXECUTIVE DIRECTOR” MEANS THE EXECUTIVE DIRECTOR OF**
2 **THE MARYLAND EMERGENCY MANAGEMENT AGENCY, OR THE EXECUTIVE**
3 **DIRECTOR’S DESIGNEE.**

4 **(B) (1) BEGINNING IN CALENDAR YEAR 2017, THE 7-DAY PERIOD FROM**
5 **THE THIRD SUNDAY IN MAY THROUGH THE FOLLOWING SATURDAY SHALL BE A**
6 **TAX-FREE PERIOD FOR EMERGENCY PREPAREDNESS EQUIPMENT SHOPPING IN**
7 **MARYLAND DURING WHICH THE EXEMPTION UNDER PARAGRAPH (2) OF THIS**
8 **SUBSECTION SHALL APPLY.**

9 **(2) DURING THE TAX-FREE PERIOD FOR EMERGENCY**
10 **PREPAREDNESS EQUIPMENT SHOPPING ESTABLISHED UNDER PARAGRAPH (1) OF**
11 **THIS SUBSECTION, THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF ANY**
12 **EMERGENCY PREPAREDNESS EQUIPMENT IF THE TAXABLE PRICE OF THE ITEM IS**
13 **\$1,500 OR LESS.**

14 **(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, ON OR**
15 **BEFORE JANUARY 1, 2017, THE EXECUTIVE DIRECTOR SHALL PUBLISH ON THE**
16 **MARYLAND EMERGENCY MANAGEMENT AGENCY’S WEB SITE A LIST OF**
17 **EMERGENCY PREPAREDNESS EQUIPMENT THAT IS EXEMPT FROM TAXATION**
18 **DURING THE TAX-FREE PERIOD.**

19 **(2) AFTER THE COMPLETION OF THE TAX-FREE PERIOD IN**
20 **CALENDAR YEAR 2017, THE EXECUTIVE DIRECTOR MAY AMEND THE LIST OF**
21 **EMERGENCY PREPAREDNESS EQUIPMENT THAT IS EXEMPT FROM TAXATION FOR**
22 **EACH SUBSEQUENT TAX-FREE PERIOD.**

23 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
24 1, 2016. It shall remain effective for a period of 3 years and, at the end of June 30, 2019,
25 with no further action required by the General Assembly, this Act shall be abrogated and
26 of no further force and effect.