

HOUSE BILL 113

Q4

7lr1071

By: **Delegate Wivell**

Introduced and read first time: January 16, 2017

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax Exemption – Target Redevelopment Area – Definition**

3 FOR the purpose of altering the definition of a certain target redevelopment area to include
4 a certain area in Washington County for purposes of an exemption from the sales
5 and use tax for the purchase of certain materials and equipment to be used in a
6 target redevelopment area; and generally relating to an exemption from the sales
7 and use tax for the purchase of certain materials and equipment.

8 BY repealing and reenacting, with amendments,

9 Article – Tax – General

10 Section 11–232

11 Annotated Code of Maryland

12 (2016 Replacement Volume)

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

15 **Article – Tax – General**

16 11–232.

17 (a) (1) In this section the following words have the meanings indicated.

18 (2) (i) “Construction material” means an item of tangible personal
19 property that is used to construct or renovate a building, a structure, or an improvement
20 on land and that typically loses its separate identity as personal property once incorporated
21 into the real property.

22 (ii) “Construction material” includes building materials, building
23 systems equipment, landscaping materials, and supplies.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) "Target redevelopment area" means any real property owned or leased
2 by a person in:

3 (I) Baltimore County that:

4 [(i)] 1. was previously owned at any time by Bethlehem Steel
5 Corporation, or any of its subsidiaries; and

6 [(ii)] 2. was, as of January 1, 2016, the subject of an approved
7 application for participation in the Voluntary Cleanup Program under Title 7, Subtitle 5 of
8 the Environment Article; OR

9 (II) **WASHINGTON COUNTY THAT WAS PREVIOUSLY THE SITE OF**
10 **THE FORT RITCHIE MILITARY INSTALLATION.**

11 (4) "Warehousing equipment" means equipment used for material
12 handling and storage, including racking systems, conveying systems, and computer
13 systems and equipment.

14 (b) The sales and use tax does not apply to a sale of construction material or
15 warehousing equipment, if:

16 (1) the material or equipment is purchased by a person solely for use in a
17 target redevelopment area; and

18 (2) the buyer provides the vendor with evidence of eligibility for the
19 exemption issued by the Comptroller.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
21 1, 2017.