

SENATE BILL 622

Q4

7lr2801
CF HB 530

By: **Senators Eckardt, Bates, Cassilly, Edwards, Hershey, Hough, Jennings, Klausmeier, Middleton, Muse, Ready, Salling, Serafini, Simonaire, Waugh, and Young**

Introduced and read first time: February 3, 2017

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 17, 2017

CHAPTER _____

1 AN ACT concerning

2 **Sales and Use Tax – Tax-Free Period for Back-to-School Shopping – Sale of**
3 **Backpacks and Bookbags**

4 FOR the purpose of altering a certain sales and use tax exemption to include certain
5 backpacks and bookbags, subject to certain limitations; and generally relating to the
6 designation of a certain annual sales tax-free period in the State.

7 BY repealing and reenacting, with amendments,

8 Article – Tax – General

9 Section 11–228

10 Annotated Code of Maryland

11 (2016 Replacement Volume)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

13 That the Laws of Maryland read as follows:

14 **Article – Tax – General**

15 11–228.

16 (a) In this section, “accessory items” includes jewelry, watches, watchbands,
17 handbags, handkerchiefs, umbrellas, scarves, ties, headbands, and belt buckles.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



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

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

7 (I) any item of clothing or footwear, excluding accessory items, if the
8 taxable price of the item of clothing or footwear is \$100 or less; **OR**

9 (II) **ANY BACKPACK OR BOOKBAG, IF THE TAXABLE PRICE OF**
10 **THE BACKPACK OR BOOKBAG IS ~~\$100~~ \$30 OR LESS.**

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
12 1, 2017.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.