SENATE BILL 622

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

A BILL ENTITLED

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:

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.

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

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

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

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

5   **(II)   ANY BACKPACK OR BOOKBAG, IF THE TAXABLE PRICE OF**
6   **THE BACKPACK OR BOOKBAG IS $100 OR LESS**.

7   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8   1, 2017.