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By: Delegates D. Barnes, Barron, Boteler, Charles, Fennell, Haynes, Ivey, C. Jackson, M. Jackson, Lisanti, Rose, and R. Watson

Introduced and read first time: January 30, 2020

Assigned to: Ways and Means

AN ACT concerning

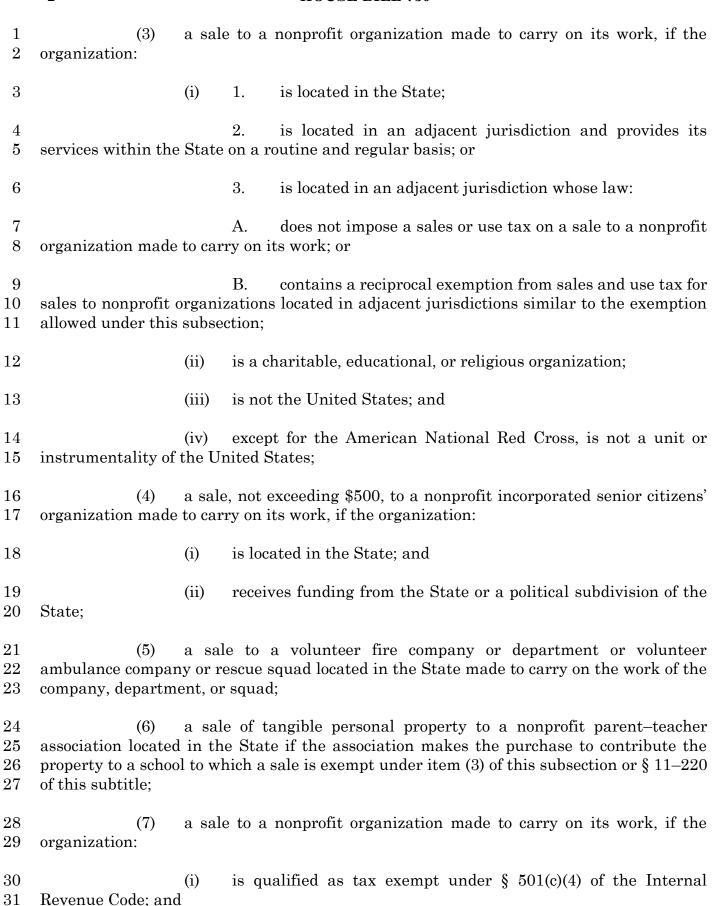
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A BILL ENTITLED

Sales and Use Tax – Exemption – Out-of-State Nonprofit Organizations

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- 3 FOR the purpose of providing an exemption from the sales and use tax for sales to 4 out-of-state nonprofit organizations made in connection with and for use solely at 5 certain conferences or conventions under certain circumstances; requiring an 6 organization to file a certain application in order to qualify for the exemption; and 7 generally relating to the sales and use tax for certain sales to out-of-state nonprofit 8 organizations.
- 9 BY repealing and reenacting, with amendments,
- 10 Article – Tax – General
- 11 Section 11–204(a) and (c)
- Annotated Code of Maryland 12
- (2016 Replacement Volume and 2019 Supplement) 13
- SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND. 14
- 15 That the Laws of Maryland read as follows:
- Article Tax General 16
- 11 204.17
- 18 The sales and use tax does not apply to: (a)
- 19 (1)a sale to a cemetery company, as described in § 501(c)(13) of the Internal 20 Revenue Code in effect on July 1, 1987:
- 21 (2)a sale to a credit union organized under the laws of the State or of the
- 22 **United States:**



1 is engaged primarily in providing a program to render its best (ii) 2 efforts to contain, clean up, and otherwise mitigate spills of oil or other substances occurring 3 in United States coastal and tidal waters; [or] 4 a sale to a bona fide nationally organized and recognized organization 5 of veterans of the armed forces of the United States or an auxiliary of the organization or 6 one of its units, if the organization is qualified as tax exempt under § 501(c)(4) or § 7 501(c)(19) of the Internal Revenue Code; OR 8 A SALE TO A NONPROFIT ORGANIZATION THAT IS LOCATED **(9)** 9 OUTSIDE THE STATE, IF THE SALE IS MADE IN CONNECTION WITH AND FOR USE SOLELY AT A CONFERENCE OR CONVENTION THAT IS: 10 11 **(I)** HELD IN THE STATE BY THE NONPROFIT ORGANIZATION; 12 RELATED TO THE MISSION OR WORK OF THE NONPROFIT (II)13 **ORGANIZATION; AND** 14 (III) ATTENDED BY AT LEAST 25 INDIVIDUALS. 15 To qualify as an organization to which a sale is exempt under subsection (a)(3) 16 [or], (5), OR (9) of this section, the organization shall file an application for an exemption 17 certificate with the Comptroller.

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

18 19

1, 2020.