

HOUSE BILL 1023

Q4

0lr2974
CF SB 843

By: **Delegate Washington**

Introduced and read first time: February 5, 2020

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Licensed Statewide Caterers – Exemption**

3 FOR the purpose of providing an exemption from the sales and use tax for the sale of certain
4 materials and supplies to a licensed statewide caterer if, under certain
5 circumstances, the materials and supplies will be used by the caterer to perform a
6 catering contract; requiring the holder of the statewide caterer’s license to apply to
7 the Comptroller for an exemption certificate in order to qualify for the exemption
8 under this Act; and generally relating to a sales and use tax exemption for the sale
9 of catering materials and supplies.

10 BY adding to

11 Article – Tax – General

12 Section 11–236

13 Annotated Code of Maryland

14 (2016 Replacement Volume and 2019 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 **11–236.**

19 **(A) THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF MATERIALS**
20 **OR SUPPLIES TO A LICENSED STATEWIDE CATERER IF THE MATERIALS OR SUPPLIES**
21 **ARE:**

22 **(1) TO BE USED BY THE CATERER TO PERFORM A CONTRACT FOR**
23 **OFF–SITE CATERING SERVICES; AND**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(2) (I) INTENDED FOR RESALE BY THE CATERER IN A TAXABLE**
2 **SALE; OR**

3 **(II) TO BE USED DIRECTLY OR PREDOMINANTLY BY THE**
4 **CATERER IN THE SALE OF FOOD AND BEVERAGES.**

5 **(B) TO QUALIFY AS A LICENSED STATEWIDE CATERER TO WHOM A SALE IS**
6 **EXEMPT UNDER THIS SECTION, THE HOLDER OF THE STATEWIDE CATERER'S**
7 **LICENSE SHALL APPLY TO THE COMPTROLLER FOR AN EXEMPTION CERTIFICATE.**

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2020.