

HOUSE BILL 1280

Q8

0lr2775

By: **Delegates Howard, Cox, Hornberger, McComas, and Saab**

Introduced and read first time: February 7, 2020

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Admissions and Amusement Tax – Small Business Exemption**

3 FOR the purpose of prohibiting a county or municipal corporation from imposing the
4 admissions and amusement tax on gross receipts of a business that has total gross
5 receipts of less than a certain amount in a calendar year; and generally relating to
6 exemptions from the admissions and amusement tax.

7 BY repealing and reenacting, with amendments,
8 Article – Tax – General
9 Section 4–103(b)
10 Annotated Code of Maryland
11 (2016 Replacement Volume and 2019 Supplement)

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 4–103.

16 (b) The admissions and amusement tax may not be imposed by a county or
17 municipal corporation on gross receipts:

18 (1) derived from any charge for merchandise, refreshments, or a service
19 sold or served at a place where:

20 (i) dancing is prohibited; and

21 (ii) the only entertainment provided is mechanical music, radio, or
22 television;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) derived from any charge for admission to:

2 (i) a live boxing or wrestling match; or

3 (ii) a concert or theatrical event presented or offered by a nonprofit
4 group that:

5 1. is organized and operated to present or offer an annual
6 series of scheduled musical concerts; or

7 2. is organized and operated for a cultural purpose and
8 receives a grant directly or indirectly from the Maryland State Arts Council;

9 (3) derived from any charge for admission to or use of:

10 (i) a facility or equipment in connection with a bingo game that is
11 operated in accordance with § 13-507 of the Criminal Law Article;

12 (ii) a bowling alley or lane;

13 (iii) a charter fishing boat; or

14 (iv) a nontethered hot air balloon;

15 (4) derived from any charge for admission or for merchandise,
16 refreshments, or a service, if the gross receipts are used exclusively for:

17 (i) a charitable, educational, or religious purpose;

18 (ii) a volunteer fire company or nonprofit rescue squad;

19 (iii) a fraternal, service, or veterans' organization chartered by a
20 grant of Congress; or

21 (iv) the improvement, maintenance, or operation of an agricultural
22 fair, if no net earnings inure to the benefit of any stockholder or member of the association
23 that conducts the fair; [or]

24 (5) obtained at admission and used for the cost of prizes or as money
25 winnings distributed, as part of its operation, by a commercial bingo game in Anne Arundel
26 County; OR

27 **(6) OF A BUSINESS THAT HAS TOTAL GROSS RECEIPTS OF LESS THAN**
28 **\$75,000 IN A CALENDAR YEAR.**

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2020.