

HOUSE BILL 1354

Q4

0lr3057

By: **Delegates Charkoudian and Palakovich Carr**

Introduced and read first time: February 7, 2020

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Services**

3 FOR the purpose of altering the definition of “taxable service” under the sales and use tax
4 to impose the tax on certain services; and generally relating to the application of the
5 sales and use tax to services.

6 BY repealing and reenacting, without amendments,
7 Article – Tax – General
8 Section 11–101(a) and 11–102(a)
9 Annotated Code of Maryland
10 (2016 Replacement Volume and 2019 Supplement)

11 BY repealing and reenacting, with amendments,
12 Article – Tax – General
13 Section 11–101(m)
14 Annotated Code of Maryland
15 (2016 Replacement Volume and 2019 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
17 That the Laws of Maryland read as follows:

18 **Article – Tax – General**

19 11–101.

20 (a) In this title the following words have the meanings indicated.

21 (m) “Taxable service” means:

22 (1) fabrication, printing, or production of tangible personal property by
23 special order;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (2) commercial cleaning or laundering of textiles for a buyer who is engaged
2 in a business that requires the recurring service of commercial cleaning or laundering of
3 the textiles;
- 4 (3) cleaning of a commercial or industrial building;
- 5 (4) cellular telephone or other mobile telecommunications service;
- 6 (5) “900”, “976”, “915”, and other “900”-type telecommunications service;
- 7 (6) custom calling service provided in connection with basic telephone
8 service;
- 9 (7) a telephone answering service;
- 10 (8) pay per view television service;
- 11 (9) credit reporting;
- 12 (10) a security service, including:
- 13 (i) a detective, guard, or armored car service; and
- 14 (ii) a security systems service;
- 15 (11) a transportation service for transmission, distribution, or delivery of
16 electricity or natural gas, if the sale or use of the electricity or natural gas is subject to the
17 sales and use tax;
- 18 (12) a prepaid telephone calling arrangement; [or]
- 19 (13) the privilege given to an individual under § 4-1102 of the Alcoholic
20 Beverages Article to consume wine that is not purchased from or provided by a restaurant,
21 club, or hotel;
- 22 **(14) FOR CLEANING OR STORAGE SERVICES;**
- 23 **(15) A GOLF COURSE OR COUNTRY CLUB MEMBERSHIP;**
- 24 **(16) A MARINA SERVICE;**
- 25 **(17) ART MOVING OR STORAGE SERVICES;**
- 26 **(18) TANNING;**

- 1 **(19) TATTOOING OR PIERCING;**
- 2 **(20) INTERIOR DESIGN OR DECORATING SERVICES;**
- 3 **(21) DOG WALKING;**
- 4 **(22) A BOAT REPAIR SERVICE;**
- 5 **(23) A WATCH, CLOCK, OR JEWELRY REPAIR SERVICE;**
- 6 **(24) SCHEDULED OR NONSCHEDULED AIR TRANSPORTATION;**
- 7 **(25) A TRAVEL ARRANGEMENT OR RESERVATION SERVICE; OR**
- 8 **(26) LOBBYING, AS DEFINED IN § 5-101 OF THE GENERAL PROVISIONS**
- 9 **ARTICLE.**

10 11-102.

11 (a) Except as otherwise provided in this title, a tax is imposed on:

12 (1) a retail sale in the State; and

13 (2) a use, in the State, of tangible personal property or a taxable service.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
15 1, 2020.