

SB0883/465368/1

BY: Committee on Ways and Means

AMENDMENTS TO SENATE BILL 883
(Third Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 2, after “**Tax**” insert “**and Sales and Use Tax**”; in the same line, after the second “**Tobacco**” insert “**and Tobacco Smoking Devices**”; and in line 3, after “of” insert “altering the definition of “other tobacco products” to exclude certain items;”.

On page 2, in line 1, after “penalties;” insert “altering the sales and use tax rate imposed on sales of certain tobacco–related items;”; strike line 11 in its entirety and substitute “taxation of tobacco and tobacco smoking devices.”; after line 11, insert:

“BY repealing and reenacting, without amendments,

Article – Business Regulation

Section 16.5–101(a)

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Business Regulation

Section 16.5–101(i)

Annotated Code of Maryland

(2015 Replacement Volume and 2020 Supplement)

(As enacted by Chapter 37 of the Acts of the General Assembly of 2021);

after line 17, insert:

“BY repealing and reenacting, with amendments,

Article - Tax - General

(Over)

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Section 11-104(j) and 12-105(b)
Annotated Code of Maryland
(2016 Replacement Volume and 2020 Supplement)
(As enacted by Chapter 37 of the Acts of the General Assembly of 2021)”;

and strike in their entirety lines 28 through 33, inclusive.

AMENDMENT NO. 2

On page 3, after line 1, insert:

“16.5-101.

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

(i) (1) “Other tobacco products” means, except as provided in paragraph (3) of this subsection, a product that is:

(i) intended for human consumption or likely to be consumed, whether smoked, heated, chewed, absorbed, dissolved, inhaled, or ingested in any other manner, and that is made of or derived from, or that contains:

1. tobacco; or

2. nicotine; or

(ii) a component or part used in a consumable product described under item (i) of this paragraph.

(2) “Other tobacco products” includes[:

(i) cigars, premium cigars, pipe tobacco, chewing tobacco, snuff, and snus[; and

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(ii) filters, rolling papers, pipes, and hookahs].

(3) “Other tobacco products” does not include:

(i) cigarettes;

(ii) electronic smoking devices; or

(iii) drugs, devices, or combination products authorized for sale by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act.”.

On page 9, after line 22, insert:

“11–104.

(j) (1) (i) In this subsection, the following words have the meanings indicated.

(ii) “Electronic smoking device” has the meaning stated in § 16.7–101 of the Business Regulation Article.

(iii) “Vaping liquid” has the meaning stated in § 16.7–101 of the Business Regulation Article.

(2) Except as provided in paragraph (3) of this subsection, the sales and use tax rate [for electronic smoking devices] is 12% of the taxable price **FOR:**

(I) ELECTRONIC SMOKING DEVICES;

(Over)

(II) TOBACCO FILTERS;

(III) TOBACCO ROLLING PAPERS;

(IV) TOBACCO PIPES; AND

(V) TOBACCO HOOKAHS.

(3) The sales and use tax for vaping liquid sold in a container that contains 5 milliliters or less of vaping liquid is 60% of the taxable price.”.