

SENATE BILL 257

Q4
SB 448/20 – B&T

(PRE-FILED)

11r0746

By: Senator Guzzone

Requested: September 25, 2020

Introduced and read first time: January 13, 2021

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Vendor Collection Credit – Job Training**

3 FOR the purpose of increasing, for certain qualified job training organizations, the credit
4 allowed for the expense of collecting and paying the sales and use tax; prohibiting,
5 under certain circumstances, certain qualified job training organizations from
6 claiming certain vendor collection credits; prohibiting, for any calendar year, the
7 total amount of credits a vendor may claim from exceeding a certain amount;
8 providing for the certification of qualified job training organizations by the Secretary
9 of Labor; authorizing a vendor to submit to the Secretary an application to be
10 certified as a qualified job training organization; requiring the Secretary to review
11 the application and make a certain determination within a certain number of days;
12 requiring the Secretary to provide notice of certain determinations; requiring, on or
13 before a certain date each year, a vendor who claims a certain credit to submit a
14 certain report; requiring the Comptroller to adopt certain regulations; defining
15 certain terms; and generally relating to the sales and use tax vendor collection credit.

16 BY repealing and reenacting, with amendments,

17 Article – Tax – General

18 Section 11–105

19 Annotated Code of Maryland

20 (2016 Replacement Volume and 2020 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

22 That the Laws of Maryland read as follows:

23 **Article – Tax – General**

24 11–105.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(b) (1) Subject to paragraph (2) of this subsection, the credit allowed under this section is 1.2% of the first \$6,000 of the gross amount of sales and use tax that the vendor is to pay with each return.

(2) For a vendor who files or is eligible to file a consolidated return under § 11–502 of this title, the credit allowed under paragraph (1) of this subsection is 1.2% of the first \$6,000 of the gross amount of sales and use tax that the vendor is or would be required to pay with the consolidated return.

15 (c) (1) The credit allowed under subsection (a) of this section may not exceed
16 \$500 for each return.

(2) For a vendor who files or is eligible to file a consolidated return under § 11–502 of this title, the total maximum credit that the vendor is allowed under this section for all returns filed for any period is \$500.

20 (D) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE
21 MEANINGS INDICATED.

22 (II) "QUALIFIED JOB TRAINING ORGANIZATION" MEANS AN
23 ORGANIZATION THAT:

1. IS LOCATED IN THE STATE:

3 CONDUCTS RETAIL SALES OF DONATED ITEMS:

5 C. FOR VETERANS.

6 (III) "SECRETARY" MEANS THE SECRETARY OF LABOR.

16 (III) FOR ANY CALENDAR YEAR, THE TOTAL AMOUNT OF CREDITS
17 THAT A VENDOR MAY CLAIM MAY NOT EXCEED \$250,000.

18 (3) (I) A VENDOR MAY APPLY TO THE SECRETARY TO BE
19 CERTIFIED AS A QUALIFIED JOB TRAINING ORGANIZATION.

20 (II) WITHIN 30 DAYS OF RECEIVING THE APPLICATION, THE
21 SECRETARY SHALL REVIEW THE APPLICATION AND IF THE VENDOR:

27 (4) ON OR BEFORE JANUARY 31 EACH YEAR, A VENDOR WHO CLAIMS
28 A CREDIT UNDER THIS SUBSECTION SHALL SUBMIT TO THE SECRETARY A REPORT
29 THAT INCLUDES, FOR THE PREVIOUS CALENDAR YEAR:

30 (I) THE AMOUNT OF CREDITS CLAIMED;

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
8 1, 2021.