
By: Delegates Rosapepe, Heller, C. Davis, Bonsack, Howard, Greenip, Healey, and Ports

Requested: July 10, 1995

Introduced and read first time: January 10, 1996

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Gross Receipts from Vending Machine Sales**

3 FOR the purpose of altering the computation of the sales and use tax for sales made
4 through vending or other self-service machines; and generally relating to the sales
5 and use tax on sales made through vending machines.

6 BY repealing and reenacting, with amendments,
7 Article - Tax - General
8 Section 11-104(b) and 11-301
9 Annotated Code of Maryland
10 (1988 Volume and 1995 Supplement)

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

13 **Article - Tax - General**

14 11-104.

15 (b) If a retail sale of tangible personal property OR A TAXABLE SERVICE is made
16 through a vending OR OTHER SELF-SERVICE machine, the sales and use tax rate is 5%,
17 APPLIED TO 95.25% of the gross receipts from the vending machine sales.

18 11-301.

19 The sales and use tax is computed on:

20 (1) the taxable price of each separate sale;

21 (2) if a combined sale is made, the combined taxable price of all retail sales
22 on the same occasion by the same vendor to the same buyer; or

23 (3) if retail sales of tangible personal property or a taxable service are made
24 through vending or other self-service machines, 95.25% OF the gross receipts from the
25 retail sales.

26 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 July 1, 1996.