
By: Delegates Healey, Bozman, Workman, McKee, and Marriott

Introduced and read first time: January 25, 1996

Assigned to: Ways and Means

Committee Report: Favorable

House action: Adopted

Read second time: March 13, 1996

CHAPTER ____

1 AN ACT concerning

2 **Sales and Use Tax - Property Consumed in Providing a Taxable Building Cleaning**
3 **Service**

4 FOR the purpose of exempting from the sales and use tax the sale of certain property if
5 the buyer intends to consume the property in providing a taxable cleaning service
6 for a commercial or industrial building; and generally relating to an exemption from
7 the sales and use tax for the sale of certain property that the buyer intends to
8 consume in providing a taxable building cleaning service.

9 BY adding to
10 Article - Tax - General
11 Section 11-227
12 Annotated Code of Maryland
13 (1988 Volume and 1995 Supplement)

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

16 **Article - Tax - General**

17 11-227.

18 THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF TANGIBLE PERSONAL
19 PROPERTY IF THE BUYER INTENDS TO CONSUME THE TANGIBLE PERSONAL
20 PROPERTY DIRECTLY AND PREDOMINANTLY IN PROVIDING A TAXABLE CLEANING
21 SERVICE FOR A COMMERCIAL OR INDUSTRIAL BUILDING BY DESTROYING, USING
22 UP, OR WEARING OUT THE PROPERTY, OTHER THAN THROUGH OBSOLESCENCE, TO
23 THE EXTENT THAT THE PROPERTY CANNOT BE RENDERED FIT FOR FURTHER USE
24 IN PROVIDING A TAXABLE CLEANING SERVICE FOR A COMMERCIAL OR INDUSTRIAL

HOUSE BILL 340

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1 BUILDING, IF THE CONSUMPTION OCCURS WITHIN 1 YEAR AFTER THE PROPERTY IS
2 FIRST USED IN PROVIDING A TAXABLE CLEANING SERVICE FOR A COMMERCIAL OR
3 INDUSTRIAL BUILDING.

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