
By: Senator Amoss

Introduced and read first time: January 18, 1996

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 15, 1996

CHAPTER ____

1 AN ACT concerning

2 **Sales and Use Tax - Bakery Equipment**

3 FOR the purpose of exempting from the sales and use tax certain sales of equipment used
4 by certain retail food vendors to manufacture or process bread or bakery goods for
5 resale; and generally relating to an exemption for the sales and use tax for certain
6 sales of equipment used by certain retail food vendors to manufacture or process
7 bread or bakery goods for resale.

8 BY repealing and reenacting, without amendments,

9 Article - Tax - General

10 Section 11-206(a)(7)

11 Annotated Code of Maryland

12 (1988 Volume and 1995 Supplement)

13 BY adding to

14 Article - Tax - General

15 Section 11-210(c)

16 Annotated Code of Maryland

17 (1988 Volume and 1995 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

19 MARYLAND, That the Laws of Maryland read as follows:

2

1 **Article - Tax - General**

2 11-206.

3 (a) (7) "Substantial grocery or market business" means a business at which at
4 least 10% of all sales of food are sales of grocery or market food items, not including food
5 normally consumed on the premises even though it is packaged to carry out.

6 11-210.

7 (C) THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF EQUIPMENT
8 THAT IS USED BY A RETAIL FOOD VENDOR TO MANUFACTURE OR PROCESS BREAD
9 OR BAKERY GOODS FOR RESALE IF:

10 (1) THE TAXABLE PRICE OF THE EQUIPMENT IS AT LEAST \$2,000; AND

11 (2) THE RETAIL FOOD VENDOR OPERATES A SUBSTANTIAL GROCERY
12 OR MARKET BUSINESS, AS DEFINED IN § 11-206(A) OF THIS SUBTITLE, AT THE SAME
13 LOCATION WHERE THE FOOD IS SOLD.

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