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CF SB 298

By: Delegates Klausmeier and DeCarlo
Introduced and read first time: January 31, 1997
Assigned to: Ways and Means

Committee Report: Favorable with amendments
House action: Adopted
Read second time: March 17, 1997

CHAPTER ____

1 AN ACT concerning

- 2 Sales and Use Tax Detective Services Taxable Price
- 3 FOR the purpose of altering the definition of taxable price under the sales and use tax to
- 4 exclude certain charges for reimbursement of <u>certain</u> expenses incurred in
- 5 connection with providing certain taxable services.
- 6 BY repealing and reenacting, with amendments,
- 7 Article Tax General
- 8 Section 11-101(j)(3)(i)
- 9 Annotated Code of Maryland
- 10 (1988 Volume and 1996 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 11-101.
- 15 (j) (3) "Taxable price" does not include:
- 16 (i) a charge that is made in connection with a sale and is stated as a
- 17 separate item of the consideration for:
- 18 1. a delivery, freight, or other transportation service for delivery
- 19 directly to the buyer by the vendor or by another person acting for the vendor;
- 20 2. a finance charge, interest, or similar charge for credit
- 21 extended to the buyer;
- 22 3. a labor or service for application or installation;

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1 2 for serving food or beverage to 3 premises of the vendor;	4. a mandatory gratuity or service charge in the nature of a tip o a group of 10 or fewer individuals for consumption on the
4	5. a professional service;
5	6. a tax:
6 7 nuclear fuel assemblies, steam	A. imposed by a county on the sale of coal, electricity, oil, or artificial or natural gas;
8 9 as a surcharge on the generation	B. imposed under § 3-302(a) of the Natural Resources Article, on of electricity, and added to an electric bill; or
10 11 Article, on tangible personal I 12 exceeds 1 year and is noncand	C. imposed under §§ 6-201 through 6-203 of the Tax - Property property subject to a lease that is for an initial period that cellable except for cause; [or]
13 14 production of audio, video, or	7. any service for the operation of equipment used for the film recordings; or
15 16 <u>THIRD PARTY AND</u> INCUI 17 DETECTIVE SERVICE; OR	8. REIMBURSEMENT OF <u>INCIDENTAL</u> EXPENSES <u>PAID TO A</u> RRED IN CONNECTION WITH PROVIDING A TAXABLE
18 SECTION 2. AND B 19 July 1, 1997.	BE IT FURTHER ENACTED, That this Act shall take effect