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By: **Delegate Workman**

Introduced and read first time: January 19, 1998

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2                                   **Sales and Use Tax - Electricity and Artificial and Natural Gas for**  
3                                   **Residential Use**

4 FOR the purpose of exempting from the sales and use tax certain sales of electricity or  
5 artificial or natural gas for use in certain residential property.

6 BY repealing and reenacting, with amendments,  
7 Article - Tax - General  
8 Section 11-207  
9 Annotated Code of Maryland  
10 (1997 Replacement Volume)

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 11-207.

15 (a) The sales and use tax does not apply to:

16 (1) a fuel rate adjustment charge equal to the amount of the sale above  
17 the base rate that the public service commission approves for electricity, steam, and  
18 artificial or natural gas used in residential condominiums;

19 (2) a sale of electricity, steam, or artificial or natural gas made under a  
20 residential or domestic rate schedule on file with the Public Service Commission;

21 (3) a sale of coal, ELECTRICITY, firewood, heating oil, ARTIFICIAL OR  
22 NATURAL GAS, or propane gas or similar liquefied gas for use in residential property  
23 that contains not more than 4 units, cooperative housing, condominiums, or other  
24 similar residential living arrangements; or

25 (4) a sale of electricity through 3 or more bulk meters for use in a  
26 nonprofit planned retirement community of more than 2,000 housing cooperative or  
27 condominium units if:

- 1                   (i)       ownership of units is restricted by age;
- 2                   (ii)       any unit is served by an individual meter; and
- 3                   (iii)      on or before July 1, 1979, at least 3 bulk meters served the
- 4 community.

5       (b)       The sales and use tax does not apply to a sale of wood, wood bark or  
6 residue, or refuse-derived fuel used for heating purposes.

7       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 July 1, 1998.