

HOUSE BILL 203

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Q4

1998 Regular Session
8r0846

By: **Delegates Workman, Cadden, and B. Hughes**
Introduced and read first time: January 23, 1998
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Shipping and Handling Charges**

3 FOR the purpose of including in the taxable price that is subject to the sales and use
4 tax for certain purchases only a certain portion of the amount of a separately
5 stated shipping and handling charge.

6 BY repealing and reenacting, with amendments,
7 Article - Tax - General
8 Section 11-101(j)(2)
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 11-101.

15 (j) (2) "Taxable price" includes[,]:

16 (I) for tangible personal property acquired by a sale for use in the
17 State by the person who assembles, fabricates, or manufactures the property, only the
18 price of the raw materials and component parts contained in the property; OR

19 (II) FOR A PURCHASE ORDERED BY MAIL OR BY TELEPHONE OR
20 OTHER ELECTRONIC MEANS, ONLY ONE-HALF OF THE AMOUNT OF A CHARGE FOR
21 SHIPPING AND HANDLING THAT IS STATED AS A SEPARATE ITEM OF THE
22 CONSIDERATION.

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