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By: **Delegate Clagett**

Introduced and read first time: January 23, 1998

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Resale Certificates - Antique Dealers**

3 FOR the purpose of allowing an antique dealer to accept a resale certificate that  
4 provides a sales and use tax registration number of another state under certain  
5 circumstances; exempting sales by antique dealers from a certain restriction on  
6 the acceptance of resale certificates; and generally relating to the use of resale  
7 certificates under the sales and use tax.

8 BY repealing and reenacting, without amendments,  
9 Article - Tax - General  
10 Section 11-408(b)(1)  
11 Annotated Code of Maryland  
12 (1997 Replacement Volume)

13 BY repealing and reenacting, with amendments,  
14 Article - Tax - General  
15 Section 11-408(b)(2) and (c)  
16 Annotated Code of Maryland  
17 (1997 Replacement Volume)

18 BY adding to  
19 Article - Tax - General  
20 Section 11-408(d)  
21 Annotated Code of Maryland  
22 (1997 Replacement Volume)

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

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**Article - Tax - General**

2 11-408.

3 (b) (1) Except as provided in paragraph (2) of this subsection, the duty of a  
4 vendor to collect the sales and use tax from a buyer is waived if the buyer provides the  
5 vendor with a signed resale certificate that:

6 (i) is in the form that the Comptroller requires by regulation;

7 (ii) states the name, address, and registration certificate number of  
8 the buyer; and

9 (iii) contains a statement to the effect that the tangible personal  
10 property or taxable service is bought for the purpose of resale.

11 (2) (i) A vendor may not accept a resale certificate if the vendor knows  
12 or should know that the sale is not for the purpose of resale.

13 (ii) [A] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS  
14 SECTION, A vendor may not accept a resale certificate for a cash, check, or credit card  
15 sale if:

16 1. the taxable price is less than \$200; and

17 2. the tangible personal property or taxable service is not  
18 delivered by the vendor directly to the buyer's retail place of business.

19 (c) [If] EXCEPT AS PROVIDED IN SUBSECTION (D) OF THIS SECTION, IF the  
20 taxable price is less than \$200 for a cash, check, or credit card sale or sale for use that  
21 is not a retail sale and the tangible personal property or taxable service is not  
22 delivered by the vendor directly to the buyer's retail place of business:

23 (1) the sales and use tax shall be paid when the sale is made or when the  
24 use becomes taxable; and

25 (2) the buyer who pays the sales and use tax may file a claim for a refund  
26 with the Comptroller.

27 (D) (1) NOTWITHSTANDING SUBSECTION (B)(1)(II) OF THIS SECTION, A  
28 VENDOR THAT IS AN ANTIQUE DEALER MAY ACCEPT A RESALE CERTIFICATE THAT,  
29 INSTEAD OF STATING A MARYLAND SALES AND USE TAX REGISTRATION NUMBER,  
30 PROVIDES A SALES AND USE TAX REGISTRATION NUMBER OF ANOTHER STATE AND  
31 STATES THAT THE BUYER IS AN OUT-OF-STATE VENDOR WHO DOES NOT ENGAGE IN  
32 THE BUSINESS OF AN OUT-OF-STATE VENDOR, AS DEFINED IN § 11-701 OF THIS  
33 TITLE.

34 (2) SUBSECTIONS (B)(2)(II) AND (C) OF THIS SECTION DO NOT APPLY TO  
35 SALES BY AN ANTIQUE DEALER.

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