

HOUSE BILL 260

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Q4  
HB 1071/99 - W&M

2000 Regular Session  
0lr1598

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By: **Delegate Rzepkowski**

Introduced and read first time: January 27, 2000

Assigned to: Ways and Means

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A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Resale Certificates - Out-of-State Vendors**

3 FOR the purpose of altering certain requirements for the use of resale certificates  
4 under the sales and use tax by allowing a vendor to accept a resale certificate  
5 that provides a sales and use tax registration number of another state under  
6 certain circumstances; and generally relating to the use of resale certificates  
7 under the sales and use tax.

8 BY repealing and reenacting, with amendments,  
9 Article - Tax - General  
10 Section 11-408(b)(1)  
11 Annotated Code of Maryland  
12 (1997 Replacement Volume and 1999 Supplement)

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

15 **Article - Tax - General**

16 11-408.

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

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

21 (ii) states the name[, ] AND address[, and registration certificate  
22 number] of the buyer;

23 (III) 1. PROVIDES THE MARYLAND SALES AND USE TAX  
24 REGISTRATION NUMBER OF THE BUYER; OR

25 2. PROVIDES A SALES AND USE TAX REGISTRATION NUMBER  
26 OF ANOTHER STATE AND STATES THAT THE BUYER IS AN OUT-OF-STATE VENDOR

1 WHO DOES NOT ENGAGE IN THE BUSINESS OF AN OUT-OF-STATE VENDOR, AS  
2 DEFINED IN § 11-701 OF THIS TITLE; and

3 [(iii)] (IV) contains a statement to the effect that the tangible  
4 personal property or taxable service is bought for the purpose of resale.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
6 July 1, 2000.