

SENATE BILL 191

Unofficial Copy  
Q4

2000 Regular Session  
0lr0007  
CF 0lr1096

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By: **Chairman, Budget and Taxation Committee (Departmental -  
Comptroller)**

Introduced and read first time: January 24, 2000

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax Exemption - Property Used in a Production Activity**

3 FOR the purpose of clarifying the type of property used in a production activity that  
4 is exempt from sales and use tax; and specifying that certain foundations for  
5 machinery and equipment and certain items required for air and water pollution  
6 control are exempt from the sales and use tax.

7 BY repealing and reenacting, with amendments,  
8 Article - Tax - General  
9 Section 11-210(b)  
10 Annotated Code of Maryland  
11 (1997 Replacement Volume and 1999 Supplement)  
12 (As enacted by Chapter 4 of the Acts of the General Assembly of 1997)

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 11-210.

17 (b) The sales and use tax does not apply to a sale of:

18 (1) tangible personal property used directly and predominantly in a  
19 production activity at any stage of operation on the production activity site from the  
20 handling of raw material or components to the movement of the finished product, IF  
21 THE TANGIBLE PERSONAL PROPERTY IS NOT INSTALLED SO THAT IT BECOMES REAL  
22 PROPERTY; [or]

23 (2) a melting, smelting, heating, or annealing coke oven, aluminum  
24 furnace, anode bake oven, electrolytic pot, cathode, refractory, or other material used  
25 in relining and rebuilding a furnace or oven[.]; OR

1           (3)     A FOUNDATION TO SUPPORT OTHER MACHINERY OR EQUIPMENT OR  
2 AN ITEM REQUIRED TO CONFORM TO AN AIR OR WATER POLLUTION LAW AND  
3 NORMALLY CONSIDERED PART OF REAL PROPERTY.

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