

SENATE BILL 191

Unofficial Copy
Q4

2000 Regular Session
0lr0007
CF 0lr1096

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

Introduced and read first time: January 24, 2000
Assigned to: Budget and Taxation

Committee Report: Favorable
Senate action: Adopted
Read second time: February 15, 2000

CHAPTER _____

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

1 THE TANGIBLE PERSONAL PROPERTY IS NOT INSTALLED SO THAT IT BECOMES REAL
2 PROPERTY; [or]

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

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

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