

SENATE BILL 576

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Q4
SB 5/95 - B&T

2002 Regular Session
2lr1741

By: **Senators Jacobs, Ferguson, Hooper, Kittleman, and Mooney**
Introduced and read first time: February 1, 2002
Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

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

3 FOR the purpose of excluding certain handling charges from the taxable price subject
4 to the sales and use tax.

5 BY repealing and reenacting, with amendments,
6 Article - Tax - General
7 Section 11-101(j)(3)(i)1.
8 Annotated Code of Maryland
9 (1997 Replacement Volume and 2001 Supplement)

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

12 **Article - Tax - General**

13 11-101.

14 (j) (3) "Taxable price" does not include:

15 (i) a charge that is made in connection with a sale and is stated as
16 a separate item of the consideration for:

17 1. A. a delivery, freight, or other transportation service for
18 delivery directly to the buyer by the vendor or by another person acting for the
19 vendor, unless the transportation service is a taxable service; OR

20 B. A HANDLING CHARGE FOR A PURCHASE ORDERED BY
21 MAIL OR BY TELEPHONE OR OTHER ELECTRONIC MEANS;

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 July 1, 2002.