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By: **Senator Brinkley**

Introduced and read first time: February 3, 2005

Assigned to: Budget and Taxation

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A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Modular Buildings**

3 FOR the purpose of providing that for the sale of certain modular buildings the sales  
4 and use tax rate is to be applied to a certain percentage of the taxable price for  
5 the sale; defining a certain term; and generally relating to the application of the  
6 sales and use tax to the sale of certain modular buildings in the State.

7 BY adding to

8 Article - Tax - General

9 Section 11-104(f)

10 Annotated Code of Maryland

11 (2004 Replacement Volume)

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

14 **Article - Tax - General**

15 11-104.

16 (F) (1) IN THIS SUBSECTION, "MODULAR BUILDING" INCLUDES  
17 SINGLE-FAMILY OR MULTIFAMILY HOUSES, APARTMENT UNITS, OR COMMERCIAL  
18 BUILDINGS, AND PERMANENT ADDITIONS TO SINGLE-FAMILY OR MULTIFAMILY  
19 HOUSES, APARTMENT UNITS, OR COMMERCIAL BUILDINGS, COMPRISED OF ONE OR  
20 MORE SECTIONS THAT ARE:

21 (I) INTENDED TO BECOME REAL PROPERTY;

22 (II) PRIMARILY CONSTRUCTED AT A LOCATION OTHER THAN THE  
23 PERMANENT SITE AT WHICH THEY ARE TO BE ASSEMBLED;

24 (III) BUILT TO COMPLY WITH THE STANDARDS FOR  
25 INDUSTRIALIZED BUILDINGS UNDER TITLE 12, SUBTITLE 3 OF THE PUBLIC SAFETY  
26 ARTICLE; AND

27 (IV) SHIPPED WITH MOST PERMANENT COMPONENTS IN PLACE.

1                   (2)       THE SALES AND USE TAX RATE FOR THE SALE OF A MODULAR  
2 BUILDING IS THE RATE IMPOSED UNDER SUBSECTION (A) OF THIS SECTION APPLIED  
3 TO 60% OF THE TAXABLE PRICE.

4       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
5 July 1, 2005.