
By: **Senator Brinkley**
Introduced and read first time: February 3, 2005
Assigned to: Budget and Taxation

Committee Report: Favorable
Senate action: Adopted
Read second time: March 28, 2005

CHAPTER_____

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;

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

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

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

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

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