
By: **Delegates Jennings, Bates, Frank, Glassman, Sossi, and Walkup**

Introduced and read first time: February 8, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax Revenues - Equine Feed Supplements and Supplies**

3 FOR the purpose of requiring the Comptroller to distribute the sales and use tax
4 revenue collected on certain equine feed supplements and supplies in a certain
5 manner to certain special funds; establishing an Equine Use Committee;
6 providing for the membership, terms, and chair of the Committee; requiring that
7 the Committee determine how certain products will be categorized for purposes
8 of certain revenue distribution; requiring a vendor to separately collect and
9 remit to the Comptroller the sales and use tax on certain products; requiring the
10 Comptroller to administer a certain grant program for a certain purpose;
11 restricting the amount of a grant that may be awarded under the program;
12 defining a term; specifying the terms of certain members of the Committee; and
13 generally relating to the sales and use tax revenue collected on sales of equine
14 feed supplements and supplies.

15 BY adding to
16 Article - Tax - General
17 Section 2-1302.2
18 Annotated Code of Maryland
19 (2004 Replacement Volume and 2005 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article - Tax - General
22 Section 2-1303
23 Annotated Code of Maryland
24 (2004 Replacement Volume and 2005 Supplement)

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

1 **Article - Tax - General**

2 2-1302.2.

3 (A) IN THIS SECTION, "COMMITTEE" MEANS THE EQUINE USE COMMITTEE.

4 (B) IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION, AFTER MAKING
5 THE DISTRIBUTIONS REQUIRED UNDER §§ 2-1301 THROUGH 2-1302.1 OF THIS
6 SUBTITLE, THE COMPTROLLER MONTHLY SHALL DISTRIBUTE THE SALES AND USE
7 TAX COLLECTED ON THE SALE OF EQUINE FEED SUPPLEMENTS AND SUPPLIES IN
8 THE FOLLOWING MANNER:

9 (1) 75% TO THE MARYLAND-BRED RACE FUND ESTABLISHED UNDER §
10 11-530 OF THE BUSINESS REGULATION ARTICLE; AND

11 (2) 25% TO THE MARYLAND STANDARD BRED RACE FUND ESTABLISHED
12 UNDER § 11-624 OF THE BUSINESS REGULATION ARTICLE.

13 (C) (1) THERE IS AN EQUINE USE COMMITTEE.

14 (2) THE COMMITTEE CONSISTS OF 12 MEMBERS.

15 (3) OF THE 12 MEMBERS:

16 (I) ONE SHALL BE A REPRESENTATIVE OF THE GOVERNOR'S
17 OFFICE;

18 (II) ONE SHALL BE MEMBER OF THE SENATE, APPOINTED BY THE
19 PRESIDENT OF THE SENATE;

20 (III) ONE SHALL BE A MEMBER OF THE HOUSE OF DELEGATES,
21 APPOINTED BY THE SPEAKER OF THE HOUSE;

22 (IV) ONE SHALL BE A REPRESENTATIVE OF THE COMPTROLLER;

23 (V) ONE SHALL BE A REPRESENTATIVE OF THE STATE TREASURER;

24 (VI) ONE SHALL BE A REPRESENTATIVE OF THE STATE
25 VETERINARIAN'S OFFICE;

26 (VII) ONE SHALL BE A REPRESENTATIVE OF THE STATE RACING
27 COMMISSION;

28 (VIII) TWO SHALL BE REPRESENTATIVES OF THE MARYLAND HORSE
29 INDUSTRY BOARD;

30 (IX) ONE SHALL BE A REPRESENTATIVE OF THE MARYLAND
31 RETAILERS ASSOCIATION, APPOINTED BY THE GOVERNOR; AND

32 (X) TWO SHALL BE REPRESENTATIVES OF THE RETAIL FEED STORE
33 AND TACK STORE BUSINESS COMMUNITY, APPOINTED BY THE GOVERNOR.

1 (D) (1) THE TERMS OF THE MEMBERS OF THE COMMITTEE WHO ARE
2 APPOINTED BY THE GOVERNOR ARE 3 YEARS.

3 (2) THE TERMS OF THE APPOINTED MEMBERS ARE STAGGERED AS
4 REQUIRED BY THE TERMS PROVIDED FOR MEMBERS OF THE COMMITTEE ON
5 OCTOBER 1, 2006.

6 (E) THE COMMITTEE SHALL SELECT A CHAIR FROM AMONG ITS MEMBERS.

7 (F) THE COMMITTEE SHALL DETERMINE THE PRODUCTS TO BE CATEGORIZED
8 AS EQUINE FEED SUPPLEMENTS AND SUPPLIES FOR PURPOSES OF THIS SECTION.

9 (G) (1) A VENDOR SHALL SEPARATELY COLLECT AND REMIT TO THE
10 COMPTROLLER THE SALES AND USE TAX COLLECTED ON THE SALE OF EQUINE FEED
11 SUPPLEMENTS AND SUPPLIES.

12 (2) (I) THE COMPTROLLER SHALL ADMINISTER A GRANT PROGRAM
13 FOR VENDORS WHO LACK THE EQUIPMENT TO ACCOUNT ELECTRONICALLY FOR
14 DIFFERENCES IN CATEGORIES OF SALES AND SEEK TO PURCHASE THE NECESSARY
15 EQUIPMENT.

16 (II) A GRANT AWARDED UNDER THE PROGRAM MAY NOT EXCEED
17 \$2,500.

18 2-1303.

19 After making the distributions required under §§ 2-1301 through [2-1302.1]
20 2-1302.2 of this subtitle, the Comptroller shall pay:

21 (1) revenues from the hotel surcharge into the Dorchester County
22 Economic Development Fund established under Article 83A, § 5-216 of the Code; and

23 (2) the remaining sales and use tax revenue into the General Fund of the
24 State.

25 SECTION 2. AND BE IT FURTHER ENACTED, That the terms of the initial
26 appointed members of the Equine Use Committee shall expire as follows:

27 (1) one member in 2007;

28 (2) one member in 2008; and

29 (3) one member in 2009.

30 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
31 October 1, 2006.