

HOUSE BILL 448

Q4

71r1380

By: **Delegates Gilchrist, Hixson, Ivey, and Kaiser**

Introduced and read first time: February 5, 2007

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Services**

3 FOR the purpose of altering the definition of “taxable service” under the sales and use
4 tax to impose the tax on certain services; exempting from the tax the sale of
5 certain services by a political subdivision of the State; providing for a delayed
6 effective date; and generally relating to the sales and use taxation of certain
7 services.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 11–101(m)
11 Annotated Code of Maryland
12 (2004 Replacement Volume and 2006 Supplement)

13 BY adding to
14 Article – Tax – General
15 Section 11–230
16 Annotated Code of Maryland
17 (2004 Replacement Volume and 2006 Supplement)

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

20 **Article – Tax – General**

21 11–101.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (m) "Taxable service" means:

2 (1) fabrication, printing, or production of tangible personal property by
3 special order;

4 (2) commercial cleaning or laundering of textiles for a buyer who is
5 engaged in a business that requires the recurring service of commercial cleaning or
6 laundering of the textiles;

7 (3) cleaning of a commercial or industrial building;

8 (4) cellular telephone or other mobile telecommunications service;

9 (5) "900", "976", "915", and other "900"-type telecommunications
10 service;

11 (6) custom calling service provided in connection with basic telephone
12 service;

13 (7) a telephone answering service;

14 (8) **CABLE TELEVISION, INCLUDING** pay per view television service;

15 (9) credit reporting;

16 (10) a security service, including:

17 (i) a detective, guard, or armored car service; and

18 (ii) a security systems service;

19 (11) a transportation service for transmission, distribution, or delivery
20 of electricity or natural gas, if the sale or use of the electricity or natural gas is subject
21 to the sales and use tax; [or]

22 (12) a prepaid telephone calling arrangement;

23 (13) **A MOTOR VEHICLE MAINTENANCE OR REPAIR SERVICE,**
24 **INCLUDING:**

1 (I) A MOTOR VEHICLE MAINTENANCE OR REPAIR SERVICE
2 CONTRACT OR EXTENDED WARRANTY CONTRACT;

3 (II) MOTOR VEHICLE WASHING AND WAXING SERVICES;

4 (III) ROAD SERVICE AND TOWING SERVICE; AND

5 (IV) MOTOR VEHICLE PAINTING, RUSTPROOFING, AND
6 UNDERCOATING;

7 (14) A PARKING FACILITY OR SERVICE;

8 (15) A BARBER OR BEAUTY SERVICE;

9 (16) A TANNING, MASSAGE, OR PHYSICAL FITNESS FACILITY OR
10 SERVICE;

11 (17) A DOCKING OR LANDING SERVICE;

12 (18) AN ENGINEERING SERVICE;

13 (19) A STORAGE SERVICE, INCLUDING HOUSEHOLD GOODS
14 STORAGE, MINISTORAGE, AND COLD STORAGE;

15 (20) A SHOE REPAIR SERVICE;

16 (21) A TAX PREPARATION SERVICE;

17 (22) A SAUNA OR STEAM BATH FACILITY OR SERVICE;

18 (23) A WEIGHING MACHINE SERVICE;

19 (24) A PUBLIC LOCKER RENTAL OR SERVICE;

20 (25) A DATING OR ESCORT SERVICE;

21 (26) A DIETING SERVICE;

22 (27) A DIRECT MAIL ADVERTISING SERVICE;

- 1 **(28) A COMMERCIAL PHOTOGRAPHIC OR ART SERVICE;**
- 2 **(29) A STENOGRAPHIC SERVICE;**
- 3 **(30) AN EXTERMINATING SERVICE;**
- 4 **(31) A PERSONNEL SUPPLY SERVICE, INCLUDING:**
- 5 **(I) AN EMPLOYMENT AGENCY SERVICE; OR**
- 6 **(II) A TEMPORARY HELP SERVICE;**
- 7 **(32) A MANAGEMENT, MANAGEMENT CONSULTING, PUBLIC**
8 **RELATIONS, OR OTHER BUSINESS CONSULTING SERVICE;**
- 9 **(33) A REAL PROPERTY MANAGEMENT SERVICE;**
- 10 **(34) A TESTING LABORATORY SERVICE;**
- 11 **(35) A SIGN PAINTING SERVICE;**
- 12 **(36) AN INTERIOR DECORATING SERVICE;**
- 13 **(37) AN AUCTIONEERING SERVICE;**
- 14 **(38) A BUSINESS BROKERAGE SERVICE;**
- 15 **(39) A DRAFTING SERVICE;**
- 16 **(40) AN INDEPENDENT LECTURE BUREAU SERVICE;**
- 17 **(41) A PRINTING BROKERAGE SERVICE;**
- 18 **(42) A NOTARY PUBLIC SERVICE; OR**
- 19 **(43) A SHOP WINDOW DECORATING SERVICE.**

1 **THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF A PARKING**
2 **FACILITY OR SERVICE BY A POLITICAL SUBDIVISION OF THE STATE.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take
4 effect January 1, 2008.