

HOUSE BILL 51

Q4

8lr4533

By: **Delegate Hucker**

Introduced and read first time: October 30, 2007

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Short-Term Vehicle Rentals – Tax Rate**

3 FOR the purpose of altering the sales and use tax rate for short-term vehicle rentals;
4 providing for the effective date of this Act; and generally relating to the sales
5 and use tax rate for short-term vehicle rentals.

6 BY repealing and reenacting, with amendments,
7 Article – Tax – General
8 Section 11–104(c)
9 Annotated Code of Maryland
10 (2004 Replacement Volume and 2007 Supplement)

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

13 **Article – Tax – General**

14 11–104.

15 (c) (1) In this subsection:

16 (i) “short-term vehicle rental” means a rental of a passenger
17 car, as defined in § 11–144.1 of the Transportation Article, or a vehicle that may be
18 registered as a Class E, F, G, or M vehicle under Title 13, Subtitle 9 of the
19 Transportation Article, for a period of 180 days or less under the following terms:

20 1. the vendor does not provide a driver for the vehicle as
21 a part of the rental; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 2. if the vehicle is a passenger car, as defined in §
2 11-144.1 of the Transportation Article, or a multipurpose passenger vehicle, the
3 vehicle is not to be used to transport individuals or property for hire; and

4 (ii) “short-term vehicle rental” does not include a rental of:

5 1. a dump truck, as described in § 13-919 of the
6 Transportation Article;

7 2. a tow truck, as described in § 13-920 of the
8 Transportation Article; or

9 3. a farm vehicle exempt from the sales and use tax
10 under § 11-201(a) of this title.

11 (2) The sales and use tax rate for a short-term vehicle rental for a
12 taxable price of [~~\$2~~] **\$1** or more is:

13 (i) if the vehicle is a passenger car or a multipurpose passenger
14 vehicle:

15 1. [~~23~~] **15** cents for each exact [multiple of \$2] **DOLLAR**;
16 and

17 2. [for that part of \$2] **3 CENTS FOR EACH 20 CENTS**
18 **OR PART OF 20 CENTS** in excess of an exact [multiple of \$2:] **DOLLAR; OR**

19 [A. 1 cent if the excess over an exact multiple of \$2 is at
20 least 1 cent but less than 9 cents;

21 B. 2 cents if the excess over an exact multiple of \$2 is at
22 least 9 cents but less than 18 cents;

23 C. 3 cents if the excess over an exact multiple of \$2 is at
24 least 18 cents but less than 27 cents;

25 D. 4 cents if the excess over an exact multiple of \$2 is at
26 least 27 cents but less than 35 cents;

27 E. 5 cents if the excess over an exact multiple of \$2 is at
28 least 35 cents but less than 44 cents;

29 F. 6 cents if the excess over an exact multiple of \$2 is at
30 least 44 cents but less than 53 cents;

31 G. 7 cents if the excess over an exact multiple of \$2 is at
32 least 53 cents but less than 61 cents;

1 H. 8 cents if the excess over an exact multiple of \$2 is at
2 least 61 cents but less than 70 cents;

3 I. 9 cents if the excess over an exact multiple of \$2 is at
4 least 70 cents but less than 79 cents;

5 J. 10 cents if the excess over an exact multiple of \$2 is at
6 least 79 cents but less than 87 cents;

7 K. 11 cents if the excess over an exact multiple of \$2 is at
8 least 87 cents but less than 96 cents;

9 L. 12 cents if the excess over an exact multiple of \$2 is at
10 least 96 cents but less than \$1.05;

11 M. 13 cents if the excess over an exact multiple of \$2 is at
12 least \$1.05 but less than \$1.14;

13 N. 14 cents if the excess over an exact multiple of \$2 is at
14 least \$1.14 but less than \$1.22;

15 O. 15 cents if the excess over an exact multiple of \$2 is at
16 least \$1.22 but less than \$1.31;

17 P. 16 cents if the excess over an exact multiple of \$2 is at
18 least \$1.31 but less than \$1.40;

19 Q. 17 cents if the excess over an exact multiple of \$2 is at
20 least \$1.40 but less than \$1.48;

21 R. 18 cents if the excess over an exact multiple of \$2 is at
22 least \$1.48 but less than \$1.57;

23 S. 19 cents if the excess over an exact multiple of \$2 is at
24 least \$1.57 but less than \$1.66;

25 T. 20 cents if the excess over an exact multiple of \$2 is at
26 least \$1.66 but less than \$1.74;

27 U. 21 cents if the excess over an exact multiple of \$2 is at
28 least \$1.74 but less than \$1.83;

29 V. 22 cents if the excess over an exact multiple of \$2 is at
30 least \$1.83 but less than \$1.92; and

31 W. 23 cents if the excess over an exact multiple of \$2 is at
32 least \$1.92 but less than \$2.00; or]

1 (ii) if the vehicle is a vehicle that may be registered as a Class
2 E, F, or G vehicle under Title 13, Subtitle 9 of the Transportation Article:

3 1. [8] **10** cents for each exact dollar; and

4 2. 2 cents for each [25] **20** cents or part of [25] **20** cents
5 in excess of an exact dollar.

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