

HOUSE BILL 52

Q4

8lr4509

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 Rate – Room Rentals**

3 FOR the purpose of altering the sales and use tax rate for the sale of a right to occupy
4 a room or lodgings as a transient guest; providing for the effective date of this
5 Act; and generally relating to the sales and use taxation of the sale of a right to
6 occupy a room or lodgings as a transient guest.

7 BY repealing and reenacting, without amendments,
8 Article – Tax – General
9 Section 11–101(k)(1) and 11–104(a)
10 Annotated Code of Maryland
11 (2004 Replacement Volume and 2007 Supplement)

12 BY adding to
13 Article – Tax – General
14 Section 11–104(g)
15 Annotated Code of Maryland
16 (2004 Replacement Volume and 2007 Supplement)

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

19 **Article – Tax – General**

20 11–101.

21 (k) (1) “Tangible personal property” means:

22 (i) corporeal personal property of any nature; or

23 (ii) a right to occupy a room or lodgings as a transient guest.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 11-104.

2 (a) Except as otherwise provided in this section, the sales and use tax rate is:

3 (1) for a taxable price of less than \$1:

4 (i) 1 cent if the taxable price is 20 cents; and

5 (ii) 1 cent for each additional 20 cents or part of 20 cents; and

6 (2) for a taxable price of \$1 or more:

7 (i) 5 cents for each exact dollar; and

8 (ii) 1 cent for each 20 cents or part of 20 cents in excess of an
9 exact dollar.

10 (G) **THE SALES AND USE TAX RATE FOR THE SALE OF A RIGHT TO**
11 **OCCUPY A ROOM OR LODGINGS AS A TRANSIENT GUEST IS:**

12 (1) **10 CENTS FOR EACH EXACT DOLLAR OF TAXABLE PRICE; AND**

13 (2) **1 CENT FOR EACH 10 CENTS OR PART OF 10 CENTS OF**
14 **TAXABLE PRICE IN EXCESS OF AN EXACT DOLLAR.**

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