

SENATE BILL 151

Q4

8lr1510

By: **Senators Colburn, Stoltzfus, Pipkin, Jacobs, and Harris**

Introduced and read first time: January 18, 2008

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax - Rate - Eastern Shore Counties**

3 FOR the purpose of altering the State sales and use tax rate in certain counties; and
4 generally relating to the sales and use tax in certain counties.

5 BY repealing and reenacting, without amendments,

6 Article – Tax – General

7 Section 11–104(a)

8 Annotated Code of Maryland

9 (2004 Replacement Volume and 2007 Supplement)

10 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007

11 Special Session)

12 BY adding to

13 Article – Tax – General

14 Section 11–104(a–1)

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 11–104.

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

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

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (ii) 2 cents if the taxable price is at least 21 cents but less than
2 34 cents;
- 3 (iii) 3 cents if the taxable price is at least 34 cents but less than
4 51 cents;
- 5 (iv) 4 cents if the taxable price is at least 51 cents but less than
6 67 cents;
- 7 (v) 5 cents if the taxable price is at least 67 cents but less than
8 84 cents; and
- 9 (vi) 6 cents if the taxable price is at least 84 cents; and
- 10 (2) for a taxable price of \$1 or more:
- 11 (i) 6 cents for each exact dollar; and
- 12 (ii) for that part of a dollar in excess of an exact dollar:
- 13 1. 1 cent if the excess over an exact dollar is at least 1
14 cent but less than 17 cents;
- 15 2. 2 cents if the excess over an exact dollar is at least 17
16 cents but less than 34 cents;
- 17 3. 3 cents if the excess over an exact dollar is at least 34
18 cents but less than 51 cents;
- 19 4. 4 cents if the excess over an exact dollar is at least 51
20 cents but less than 67 cents;
- 21 5. 5 cents if the excess over an exact dollar is at least 67
22 cents but less than 84 cents; and
- 23 6. 6 cents if the excess over an exact dollar is at least 84
24 cents.

25 (A-1) (1) **THIS SUBSECTION APPLIES IN THE FOLLOWING COUNTIES:**

26 (I) **CAROLINE COUNTY;**

27 (II) **CECIL COUNTY;**

28 (III) **DORCHESTER COUNTY;**

- 1 (IV) **KENT COUNTY;**
2 (V) **QUEEN ANNE’S COUNTY;**
3 (VI) **SOMERSET COUNTY;**
4 (VII) **TALBOT COUNTY;**
5 (VIII) **WICOMICO COUNTY; AND**
6 (IX) **WORCESTER COUNTY;**

7 **(2) THE SALES AND USE TAX RATE FOR A SALE OR USE IN A**
8 **COUNTY TO WHICH THIS SUBSECTION APPLIES IS:**

9 **(I) FOR A TAXABLE PRICE OF LESS THAN \$1:**

- 10 1. **1 CENT IF THE TAXABLE PRICE IS 20 CENTS; AND**
11 2. **1 CENT FOR EACH ADDITIONAL 20 CENTS OR PART**
12 **OF 20 CENTS; AND**

13 **(II) FOR A TAXABLE PRICE OF \$1 OR MORE:**

- 14 1. **5 CENTS FOR EACH EXACT DOLLAR; AND**
15 2. **1 CENT FOR EACH 20 CENTS OR PART OF 20**
16 **CENTS IN EXCESS OF AN EXACT DOLLAR.**

17 **(3) IF A RETAIL SALE OF TANGIBLE PERSONAL PROPERTY OR A**
18 **TAXABLE SERVICE IS MADE THROUGH A VENDING OR OTHER SELF-SERVICE**
19 **MACHINE IN A COUNTY TO WHICH THIS SUBSECTION APPLIES, THE SALES AND**
20 **USE TAX RATE IS 5%, APPLIED TO 95.25% OF THE GROSS RECEIPTS FROM THE**
21 **VENDING MACHINE SALES.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
23 July 1, 2008.