

SENATE BILL 370

Q7

8lr2391
CF 8lr2394

By: **Senator Edwards**

Introduced and read first time: January 30, 2008

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Taxes – Admission and Amusement Tax – Tip Jar Exemption**

3 FOR the purpose of exempting certain tip jar games from a certain State admissions
4 and amusement tax; defining certain terms; and generally relating to the State
5 admissions and amusement tax on electronic bingo or electronic tip jars.

6 BY repealing and reenacting, with amendments,
7 Article – Tax – General
8 Section 4–102(d)
9 Annotated Code of Maryland
10 (2004 Replacement Volume and 2007 Supplement)
11 (As enacted by Chapter 6 of the Acts of the General Assembly of the 2007
12 Special Session)

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

15 **Article – Tax – General**

16 4–102.

17 (d) (1) (I) In this [subsection,] SUBSECTION THE FOLLOWING
18 WORDS HAVE THE MEANINGS INDICATED.

19 (II) 1. “ELECTRONIC TIP JAR” MEANS A GAME PLAYED
20 IN AN ELECTRONIC OR ELECTRO–MECHANICAL DEVICE THAT CONTAINS
21 PREDETERMINED WINNING AND LOSING GAMES AND SIGNALS THE ISSUANCE OF
22 A WINNING PLAY.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **2. “ELECTRONIC TIP JAR” DOES NOT INCLUDE A**
2 **DEVICE THAT DISPENSES TIP JAR TICKETS BUT DOES NOT ALERT THE**
3 **CUSTOMER TO A WINNING OR LOSING TICKET.**

4 (III) [“net] “NET proceeds” means the total receipts from the
5 operation of an electronic bingo machine or electronic tip jar machine less the amount
6 of money winnings or prizes paid out to players.

7 (2) A State tax is imposed on the net proceeds derived from any charge
8 for the operation of an electronic bingo machine permitted under a commercial bingo
9 license or an electronic tip jar machine authorized under Title 13 of the Criminal Law
10 Article that is operated for commercial purposes.

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