

SENATE BILL 237

Q4
SB 898/09 – B&T

0lr1301
CF HB 203

By: **Senator Zirkin**

Introduced and read first time: January 22, 2010

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Exemptions – Veterans’ Organizations**

3 FOR the purpose of providing for an exemption from the sales and use tax for sales to
4 certain veterans’ organizations; providing for the effective date of certain
5 provisions of this Act; providing for the termination of certain provisions of this
6 Act; and generally relating to a sales and use tax exemption for sales to certain
7 veterans’ organizations.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 11–204(a)(7) and (8)
11 Annotated Code of Maryland
12 (2004 Replacement Volume and 2009 Supplement)

13 BY adding to
14 Article – Tax – General
15 Section 11–204(a)(9)
16 Annotated Code of Maryland
17 (2004 Replacement Volume and 2009 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Tax – General
20 Section 11–204(a)(6) and (7)
21 Annotated Code of Maryland
22 (2004 Replacement Volume and 2009 Supplement)
23 (As enacted by Chapters 217 and 218 of the Acts of the General Assembly of
24 2006, as amended by Chapter 506 of the Acts of the General Assembly of
25 2009)

26 BY adding to
27 Article – Tax – General

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Section 11–204(a)(8)
Annotated Code of Maryland
(2004 Replacement Volume and 2009 Supplement)
(As enacted by Chapters 217 and 218 of the Acts of the General Assembly of
2006, as amended by Chapter 506 of the Acts of the General Assembly of
2009)

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

Article – Tax – General

11–204.

(a) The sales and use tax does not apply to:

(7) a sale to a nonprofit organization made to carry on its work, if the
organization:

(i) is qualified as tax exempt under § 501(c)(4) of the Internal
Revenue Code; and

(ii) is engaged primarily in providing a program to render its
best efforts to contain, clean up, and otherwise mitigate spills of oil or other
substances occurring in United States coastal and tidal waters; [or]

(8) a sale to a bona fide nationally organized and recognized
organization of veterans of the armed forces of the United States or an auxiliary of the
organization or one of its units, if the organization is qualified as tax exempt under §
501(c)(19) of the Internal Revenue Code; OR

**(9) A SALE TO A BONA FIDE NATIONALLY ORGANIZED AND
RECOGNIZED ORGANIZATION OF VETERANS OF THE ARMED FORCES OF THE
UNITED STATES OR AN AUXILIARY OF THE ORGANIZATION OR ONE OF ITS
UNITS, IF THE ORGANIZATION IS QUALIFIED AS TAX EXEMPT UNDER § 501(C)(4)
OF THE INTERNAL REVENUE CODE.**

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland
read as follows:

Article – Tax – General

11–204.

(a) The sales and use tax does not apply to:

(6) a sale of tangible personal property to a nonprofit parent-teacher association located in the State if the association makes the purchase to contribute the property to a school to which a sale is exempt under item (3) of this subsection or § 11-220 of this subtitle; [or]

(7) a sale to a nonprofit organization made to carry on its work, if the organization:

(i) is qualified as tax exempt under § 501(c)(4) of the Internal Revenue Code; and

(ii) is engaged primarily in providing a program to render its best efforts to contain, clean up, and otherwise mitigate spills of oil or other substances occurring in United States coastal and tidal waters; **OR**

(8) A SALE TO A BONA FIDE NATIONALLY ORGANIZED AND RECOGNIZED ORGANIZATION OF VETERANS OF THE ARMED FORCES OF THE UNITED STATES OR AN AUXILIARY OF THE ORGANIZATION OR ONE OF ITS UNITS, IF THE ORGANIZATION IS QUALIFIED AS TAX EXEMPT UNDER § 501(C)(4) OF THE INTERNAL REVENUE CODE.

SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect on the taking effect of the termination provision specified in Section 2 of Chapters 217 and 218 of the Acts of the General Assembly of 2006, as amended by Chapter 506 of the Acts of the General Assembly of 2009. If that termination provision takes effect, Section 1 of this Act shall be abrogated and of no further force and effect. This Act may not be interpreted to have any effect on that termination provision.

SECTION 4. AND BE IT FURTHER ENACTED, That, subject to the provisions of Section 3 of this Act, this Act shall take effect July 1, 2010.