

Chapter 509

(Senate Bill 237)

AN ACT concerning

Sales and Use Tax – Exemptions – Veterans' Organizations

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

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 11–204(a)(7) and (8)

Annotated Code of Maryland

(2004 Replacement Volume and 2009 Supplement)

BY adding to

Article – Tax – General

Section 11–204(a)(9)

Annotated Code of Maryland

(2004 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 11–204(a)(6) and (7)

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)

BY adding to

Article – Tax – General

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.

Approved by the Governor, May 20, 2010.