

HOUSE BILL 1291

Q4

11r2923

By: **Delegates McIntosh, Barkley, Bobo, and Cane**

Introduced and read first time: February 25, 2011

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Exemption – Energy for Homeowners Association**

3 FOR the purpose of exempting from the sales and use tax sales of certain energy to a
4 homeowners association for use in property owned by the homeowners
5 association; and generally relating to the sales and use taxation of certain sales
6 of energy.

7 BY repealing and reenacting, with amendments,
8 Article – Tax – General
9 Section 11–207(a)
10 Annotated Code of Maryland
11 (2010 Replacement Volume)

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

14 **Article – Tax – General**

15 11–207.

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

17 (1) a sale of electricity, steam, or artificial or natural gas for use in
18 residential condominiums;

19 (2) a sale of electricity, steam, or artificial or natural gas that is
20 delivered under a residential or domestic rate schedule on file with the Public Service
21 Commission;

22 (3) a sale of coal, firewood, heating oil, or propane gas or similar
23 liquefied gas for use in residential property that contains not more than 4 units,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 cooperative housing, condominiums, or other similar residential living arrangements;
2 [or]

3 (4) a sale of electricity through 3 or more bulk meters for use in a
4 nonprofit planned retirement community of more than 2,000 housing cooperative or
5 condominium units if:

6 (i) ownership of units is restricted by age;

7 (ii) any unit is served by an individual meter; and

8 (iii) on or before July 1, 1979, at least 3 bulk meters served the
9 community; **OR**

10 **(5) A SALE OF ELECTRICITY, STEAM, OR ARTIFICIAL OR NATURAL**
11 **GAS TO A HOMEOWNERS ASSOCIATION FOR USE IN PROPERTY OWNED BY THE**
12 **HOMEOWNERS ASSOCIATION.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 July 1, 2011.