

SENATE BILL 994

Q4

1lr3139

By: **Senators Jones–Rodwell and Madaleno**

Constitutional Requirements Complied with for Introduction in the last 35 Days of
Session

Introduced and read first time: March 21, 2011

Rules suspended

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Alcoholic Beverages**

3 FOR the purpose of altering the rate of the sales and use tax imposed on the sale of an
4 alcoholic beverage; requiring the Comptroller to distribute certain revenue from
5 the sales and use tax on the sale of an alcoholic beverage to the General Fund of
6 the State; and generally relating to the sales and use tax imposed on the sale of
7 an alcoholic beverage.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 2–1302.2
11 Annotated Code of Maryland
12 (2010 Replacement Volume)

13 BY adding to
14 Article – Tax – General
15 Section 11–104(g)
16 Annotated Code of Maryland
17 (2010 Replacement Volume)

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

20 **Article – Tax – General**

21 2–1302.2.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **(A)** After making the distributions required under §§ 2–1301 through
2 2–1302.1 of this subtitle, **OF THE SALES AND USE TAX COLLECTED ON THE SALE**
3 **OF ALCOHOLIC BEVERAGES UNDER § 11–104(G) OF THIS ARTICLE, THE**
4 **COMPTROLLER SHALL DISTRIBUTE TO THE GENERAL FUND OF THE STATE THE**
5 **REVENUE ATTRIBUTABLE TO A SALES AND USE TAX RATE IN EXCESS OF 6%.**

6 **(B)** **AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 2–1301**
7 **THROUGH 2–1302.1 OF THIS SUBTITLE AND SUBSECTION (A) OF THIS SECTION,**
8 the Comptroller shall pay into the Transportation Trust Fund established under §
9 3–216 of the Transportation Article:

10 (1) for each fiscal year beginning before July 1, 2013, 5.3% of the
11 remaining sales and use tax revenue; and

12 (2) for each fiscal year beginning on or after July 1, 2013, 6.5% of the
13 remaining sales and use tax revenue.

14 11–104.

15 **(G)** **THE SALES AND USE TAX RATE FOR THE SALE OF AN ALCOHOLIC**
16 **BEVERAGE, AS DEFINED IN § 5–101 OF THIS ARTICLE, IS:**

17 **(1)** **FOR A SALE ON OR AFTER JULY 1, 2011, BUT BEFORE JULY 1,**
18 **2012, 7% OF THE TAXABLE PRICE OF THE ALCOHOLIC BEVERAGE;**

19 **(2)** **FOR A SALE ON OR AFTER JULY 1, 2012, BUT BEFORE JULY 1,**
20 **2013, 8% OF THE TAXABLE PRICE OF THE ALCOHOLIC BEVERAGE; AND**

21 **(3)** **FOR A SALE ON OR AFTER JULY 1, 2013, 9% OF THE TAXABLE**
22 **PRICE OF THE ALCOHOLIC BEVERAGE.**

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