

Chapter 237

(Senate Bill 446)

AN ACT concerning

Sales and Use Tax – Sales of Dyed Diesel Fuel

FOR the purpose of providing that for the sale of certain diesel fuel the sales and use tax is to be applied to a certain percentage of the gross receipts; defining certain terms; creating a collection exception for certain diesel fuel sales by certain marinas; requiring certain marinas to assume or absorb the sales and use tax imposed on a retail sale or use and to pay the sales and use tax on behalf of the buyer; and generally relating to the sales and use tax on certain sales of certain diesel fuel by certain marinas.

BY adding to

Article – Tax – General
Section 11–104(h) and 11–410
Annotated Code of Maryland
(2010 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, with amendments,

Article – Tax – General
Section 11–302
Annotated Code of Maryland
(2010 Replacement Volume and 2011 Supplement)

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

Article – Tax – General

11–104.

(H) (1) (i) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(ii) “DYED DIESEL FUEL” MEANS DIESEL FUEL THAT IS DYED UNDER U.S. ENVIRONMENTAL PROTECTION AGENCY RULES FOR HIGH SULFUR DIESEL FUEL OR IS DYED UNDER INTERNAL REVENUE SERVICE RULES FOR NONTAXABLE USE.

(III) “MARINA” MEANS A PERSON WHO MAINTAINS A PLACE OF BUSINESS WHERE MOTOR FUEL IS SOLD PRIMARILY TO VESSELS.

(2) IF A RETAIL SALE OF DYED DIESEL FUEL IS MADE BY A MARINA, THE SALES AND USE TAX RATE IS 6%, APPLIED TO 94.5% OF THE GROSS RECEIPTS FROM THE DYED DIESEL FUEL SALES.

11-302.

For each retail sale or sale for use other than a sale under § 11-405 [or], § 11-406, OR § 11-410 of this title, the sales and use tax shall be:

- (1) stated separately from the sale price; and
- (2) shown separately from the sale price on any record of a sale:
 - (i) at the time of the sale;
 - (ii) when the vendor issues evidence of the sale; or
 - (iii) when the vendor uses evidence of the sale.

11-410.

A MARINA THAT SELLS DYED DIESEL FUEL, AS DEFINED IN § 11-104(H) OF THIS TITLE:

(1) SHALL PAY THE SALES AND USE TAX TO THE COMPTROLLER;
AND

(2) MAY NOT COLLECT THE SALES AND USE TAX FROM THE BUYER AS A SEPARATELY STATED ITEM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2012.

Approved by the Governor, May 2, 2012.