

HOUSE BILL 530

Q4

(7lr2896)

ENROLLED BILL

— Ways and Means/Budget and Taxation —

Introduced by ~~Delegate M. Washington~~ Delegates M. Washington, Afzali, Ali, D. Barnes, Buckel, Ebersole, Hixson, Hornberger, C. Howard, Kaiser, Long, Mosby, Patterson, Reilly, Rose, Shoemaker, Simonaire, Tarlau, Turner, Walker, A. Washington, and Wilkins

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Sales and Use Tax – Tax-Free Period for Back-to-School Shopping – Sale of**
3 **Backpacks and Bookbags**

4 FOR the purpose of altering a certain sales and use tax exemption to include a certain
5 portion of the taxable price of certain backpacks and bookbags, subject to certain
6 limitations; and generally relating to the designation of a certain annual sales
7 tax-free period in the State.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 11-228
11 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



(2016 Replacement Volume)

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

Article – Tax – General

11–228.

(a) In this section, “accessory items” includes jewelry, watches, watchbands, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, and belt buckles.

(b) (1) Beginning in calendar year 2010, the 7–day period from the second Sunday in August through the following Saturday shall be a tax–free period for back–to–school shopping in Maryland during which the exemption under paragraph (2) of this subsection shall apply.

(2) During the tax–free period for back–to–school shopping established under paragraph (1) of this subsection, the sales and use tax does not apply to ~~the sale of:~~

(I) THE SALE OF any item of clothing or footwear, excluding accessory items, if the taxable price of the item of clothing or footwear is \$100 or less; **OR**

(II) THE FIRST \$50 \$40 OF THE TAXABLE PRICE OF ANY BACKPACK OR BOOKBAG, IF THE TAXABLE PRICE OF THE BACKPACK OR BOOKBAG IS \$100 OR LESS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.