

SENATE BILL 467

Q4

8lr2390
CF 8lr2389

By: **Senators Eckardt, Hershey, and King**

Introduced and read first time: January 26, 2018

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Tax-Free Period for Back-to-School Shopping – School**
3 **Supplies**

4 FOR the purpose of altering a certain sales and use tax exemption to include certain school
5 supplies; defining a certain term; and generally relating to the annual sales tax-free
6 period for back-to-school shopping in the State.

7 BY repealing and reenacting, with amendments,
8 Article – Tax – General
9 Section 11–228
10 Annotated Code of Maryland
11 (2016 Replacement Volume and 2017 Supplement)

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

14 **Article – Tax – General**

15 11–228.

16 (a) **(1)** In this section[, “accessory items”] **THE FOLLOWING WORDS HAVE**
17 **THE MEANINGS INDICATED.**

18 **(2)** **“ACCESSORY ITEMS”** includes jewelry, watches, watchbands,
19 handbags, handkerchiefs, umbrellas, scarves, ties, headbands, and belt buckles.

20 **(3)** **“SCHOOL SUPPLIES” MEANS PENS, PENCILS, CRAYONS, BINDERS,**
21 **FOLDERS, NOTEBOOKS, AND LOOSE-LEAF PAPER.**

22 (b) (1) Beginning in calendar year 2010, the 7-day period from the second

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Sunday in August through the following Saturday shall be a tax-free period for
2 back-to-school shopping in Maryland during which the exemption under paragraph (2) of
3 this subsection shall apply.

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

6 (i) the sale of any item of clothing or footwear, excluding accessory
7 items, if the taxable price of the item of clothing or footwear is \$100 or less; [or]

8 (ii) the first \$40 of the taxable price of any backpack or bookbag; **OR**

9 **(III) THE SALE OF ANY SCHOOL SUPPLIES.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
11 1, 2018.