

HOUSE BILL 51

Q4
HB 754/18 – W&M

9lr1031
CF 9lr1272

By: **Delegates Wivell and McKay**

Introduced and read first time: January 14, 2019

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax Exemption – Target Redevelopment Area – Washington**
3 **County**

4 FOR the purpose of altering the definition of a “target redevelopment area” to include
5 certain areas in Washington County for purposes of an exemption from the sales and
6 use tax for the purchase of certain construction materials and warehousing
7 equipment; and generally relating to an exemption from the sales and use tax for the
8 purchase of materials and equipment.

9 BY repealing and reenacting, with amendments,
10 Article – Tax – General
11 Section 11–232
12 Annotated Code of Maryland
13 (2016 Replacement Volume and 2018 Supplement)

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

16 **Article – Tax – General**

17 11–232.

18 (a) (1) In this section the following words have the meanings indicated.

19 (2) (i) “Construction material” means an item of tangible personal
20 property that is used to construct or renovate a building, a structure, or an improvement
21 on land and that typically loses its separate identity as personal property once incorporated
22 into the real property.

23 (ii) “Construction material” includes building materials, building
24 systems equipment, landscaping materials, and supplies.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (3) "Target redevelopment area" means any real property owned or leased
2 by a person in:

3 (I) Baltimore County that:

4 [(i)] 1. was previously owned at any time by Bethlehem Steel
5 Corporation, or any of its subsidiaries; and

6 [(ii)] 2. was, as of January 1, 2016, the subject of an approved
7 application for participation in the Voluntary Cleanup Program under Title 7, Subtitle 5 of
8 the Environment Article; OR

9 (II) WASHINGTON COUNTY THAT IS PART OF:

- 10 1. THE TOWN CENTRE AT CASCADE;
- 11 2. THE MOUNT AETNA TECHNOLOGY PARK;
- 12 3. THE FRIENDSHIP BUSINESS PARK;
- 13 4. THE VISTA BUSINESS PARK; OR
- 14 5. THE SHOWALTER BUSINESS PARK.

15 (4) "Warehousing equipment" means equipment used for material
16 handling and storage, including racking systems, conveying systems, and computer
17 systems and equipment.

18 (b) The sales and use tax does not apply to a sale of construction material or
19 warehousing equipment, if:

20 (1) the material or equipment is purchased by a person solely for use in a
21 target redevelopment area; and

22 (2) the buyer provides the vendor with evidence of eligibility for the
23 exemption issued by the Comptroller.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
25 1, 2019.