SENATE BILL 109

By: Senator Elfreth, Senators Elfreth, Bailey, Beidle, Carozza, Cassilly, Corderman, Eckardt, Edwards, Griffith, Hershey, Hester, Jackson, Jennings, Klausmeier, Lee, Ready, Waldstreicher, West, and Young

Requested: July 23, 2021
Introduced and read first time: January 12, 2022
Assigned to: Budget and Taxation

Committee Report: Favorable
Senate action: Adopted
Read second time: February 1, 2022
Returned to second reading: February 3, 2022
Senate action: Adopted with floor amendments
Read second time: February 3, 2022

CHAPTER ______

AN ACT concerning

Vehicle Excise Tax – Exemption – Active Duty Military

FOR the purpose of exempting a vehicle owned by a member of the military on active duty or who returns to the State from active duty from the vehicle excise tax under certain circumstances; and generally relating to an exemption from the vehicle excise tax for active duty military members.

BY repealing and reenacting, with amendments,
Article – Transportation
Section 13–809(c)(3)(i)
Annotated Code of Maryland
(2020 Replacement Volume and 2021 Supplement)

BY adding to
Article – Transportation
Section 13–810(f)
Annotated Code of Maryland
(2020 Replacement Volume and 2021 Supplement)

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

Article – Transportation

13–809.

(c) (3) (i) [1. In this subparagraph, “military” includes the
Commissioned Corps of the Public Health Service, the National Oceanic and Atmospheric
Administration, or the Coast and Geodetic Survey.

2.] If the vehicle was formerly titled and registered in another
state and the present owner has paid a sales or excise tax to that state at a rate less than
that imposed by this State, then the tax imposed shall apply but at a rate measured by the
difference only between the tax rate paid to the other state and the tax rate imposed by this
section, if the present owner:

A. Has not been a Maryland resident for more than 60
days;

B. Is a member of the military on active duty and has not
been a Maryland resident for more than 1 year; or

C. Is a Maryland resident who is a member of the military
returning to Maryland from, or on, active duty and who applies for titling and registration
in Maryland no more than 1 year after returning].

13–810.

(F) (1) IN THIS SUBSECTION, “MILITARY” INCLUDES THE COMMISSIONED
CORPS OF THE PUBLIC HEALTH SERVICE, THE NATIONAL OCEANIC AND
ATMOSPHERIC ADMINISTRATION, AND THE COAST AND GEODETIC SURVEY.

(2) A VEHICLE IS EXEMPT FROM THE EXCISE TAX IMPOSED BY THIS
PART ON ISSUANCE OF AN ORIGINAL CERTIFICATE OF TITLE IF THE VEHICLE:

(I) IS OWNED BY A MEMBER OF THE MILITARY ON ACTIVE DUTY
OR WHO RETURNS TO THE STATE FROM ACTIVE DUTY; AND

(II) WAS FORMERLY TITLED AND REGISTERED IN ANOTHER
STATE BY THE PRESENT OWNER OF THE VEHICLE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
1, 2022.