

SENATE BILL 240

Q4
SB 510/21 – B&T

2lr1635
CF HB 502

By: **Senator Simonaire**

Introduced and read first time: January 13, 2022

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 10, 2022

CHAPTER _____

1 AN ACT concerning

2 **Sales and Use Tax – Tax-Free ~~Period for~~ Periods – Back-to-School Shopping –**
3 **~~Sale of Sewing Items~~ and Energy Star Products**

4 FOR the purpose of ~~altering a certain sales and use tax exemption to include certain sewing~~
5 ~~items with a taxable price that is less than a certain amount; and generally relating~~
6 ~~to the annual sales and use tax exemption period for back-to-school shopping in the~~
7 ~~State~~ altering the items eligible for certain sales and use tax exemptions during
8 certain sales and use tax exemption periods; and generally relating to sales and use
9 tax exemption periods.

10 BY repealing and reenacting, with amendments,
11 Article – Tax – General
12 Section ~~11-226 and~~ 11-228
13 Annotated Code of Maryland
14 (2016 Replacement Volume and 2021 Supplement)

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

17 **Article – Tax – General**

18 11-226.

19 (a) (1) In this subsection, “Energy Star product” means an air conditioner,
20 clothes washer or dryer, furnace, heat pump, standard size refrigerator, [compact

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.



1 fluorescent] LIGHT-EMITTING DIODE light bulb, dehumidifier, boiler, or programmable
2 thermostat that has been designated as meeting or exceeding the applicable Energy Star
3 efficiency requirements developed by the United States Environmental Protection Agency
4 and the United States Department of Energy.

5 (2) Beginning in calendar year 2011, the weekend that consists of the
6 Saturday immediately preceding the third Monday in February through the third Monday
7 in February each year shall be a tax-free weekend during which the exemption under
8 paragraph (3) of this subsection shall apply.

9 (3) During the tax-free weekend established under paragraph (2) of this
10 subsection, the sales and use tax does not apply to the sale of any:

11 (i) Energy Star product; or

12 (ii) solar water heater.

13 (b) The sales and use tax does not apply to the sale of a multifuel pellet stove
14 designed to burn agricultural field corn.

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) (I) **“SEWING ITEM”** MEANS ANY MATERIAL USED TO MAKE
21 **CLOTHING.**

22 (II) **“SEWING ITEM”** INCLUDES FABRIC, THREAD, ZIPPERS, BIAS
23 **TAPE, AND ELASTIC.**

24 (III) **“SEWING ITEM”** DOES NOT INCLUDE SEWING MACHINES OR
25 **SEWING TOOLS, SUCH AS PINS, PIN CUSHIONS, SCISSORS, AND NEEDLES.**

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

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

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

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

4 (III) THE SALE OF ANY SEWING ITEM, IF THE TAXABLE PRICE OF
5 THE ITEM IS \$100 OR LESS.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
7 1, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.