

# SENATE BILL 798

Q4

2lr2539  
CF 2lr2966

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By: **Senator Guzzone**

Introduced and read first time: February 7, 2022

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Vendor Collection Credit – Alteration**

3 FOR the purpose of repealing a certain limitation on the total amount of the credit allowed  
4 for the expense of collecting and paying the sales and use tax that a certain qualified  
5 job training organization may claim during a calendar year; and generally relating  
6 to the sales and use tax vendor collection credit.

7 BY repealing and reenacting, without amendments,  
8 Article – Tax – General  
9 Section 11–105(d)(1)(i) and (ii)  
10 Annotated Code of Maryland  
11 (2016 Replacement Volume and 2021 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Article – Tax – General  
14 Section 11–105(d)(2)  
15 Annotated Code of Maryland  
16 (2016 Replacement Volume and 2021 Supplement)

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

19 **Article – Tax – General**

20 11–105.

21 (d) (1) (i) In this subsection the following words have the meanings  
22 indicated.

23 (ii) “Qualified job training organization” means an organization  
24 that:

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1                                   1.     is located in the State;
- 2                                   2.     is exempt from taxation under § 501(c)(3) of the Internal  
3 Revenue Code;
- 4                                   3.     conducts retail sales of donated items;
- 5                                   4.     provides job training and employment services to  
6 individuals with workplace disadvantages or disabilities; and
- 7                                   5.     uses a majority of its revenue for job training and job  
8 placement programs:
  - 9                                   A.     that assist individuals with growth in employment hours;
  - 10                                  B.     for individuals with low income, workplace disadvantages,  
11 disabilities, or barriers to employment; or
  - 12                                  C.     for veterans.

13                   (2)   (i)   Subject to [subparagraphs] **SUBPARAGRAPH** (ii) [and (iii)] of  
14 this paragraph, a vendor who is a qualified job training organization certified under  
15 paragraph (3) of this subsection and timely files a sales and use tax return is allowed a  
16 credit equal to 100% of the gross amount of sales and use tax that the vendor is to pay to  
17 the Comptroller.

18                                   (ii)   A vendor who claims a credit under subparagraph (i) of this  
19 paragraph may not claim a credit under subsections (a) through (c) of this section.

20                                   [(iii) For any calendar year, the total amount of credits that a vendor  
21 may claim may not exceed \$100,000.]

22                   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
23 1, 2022.