

SENATE BILL 20

Q4

3lr0595

(PRE-FILED)

By: **Senator Salling**

Requested: October 21, 2022

Introduced and read first time: January 11, 2023

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Tax-Free Period – Spring School Shopping**

3 FOR the purpose of establishing a tax-free period each year during which the purchase of
4 certain clothing and footwear and a portion of the taxable price of certain backpacks
5 and bookbags is exempt from the sales and use tax, subject to certain limitations;
6 and generally relating to a sales and use tax exemption for spring school shopping.

7 BY repealing and reenacting, with amendments,

8 Article – Tax – General

9 Section 11–228

10 Annotated Code of Maryland

11 (2022 Replacement Volume)

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) In this section, “accessory items” includes jewelry, watches, watchbands,
17 handbags, handkerchiefs, umbrellas, scarves, ties, headbands, and belt buckles.

18 (b) (1) Beginning in calendar year 2010, the 7-day period from the second
19 Sunday in August through the following Saturday shall be a tax-free period for
20 back-to-school shopping in Maryland during which the exemption under paragraph
21 ~~[(2)]~~**(3)** of this subsection shall apply.

22 (2) **BEGINNING IN CALENDAR YEAR 2024, THE 7-DAY PERIOD**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BEGINNING MARCH 21 SHALL BE A TAX-FREE PERIOD FOR SPRING SCHOOL
2 SHOPPING IN MARYLAND DURING WHICH THE EXEMPTION UNDER PARAGRAPH (3)
3 OF THIS SUBSECTION SHALL APPLY.

4 (3) During the tax-free [period] PERIODS for back-to-school AND SPRING
5 SCHOOL shopping established under [paragraph] PARAGRAPHS (1) AND (2) of this
6 subsection, the sales and use tax does not apply to:

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

9 (ii) the first \$40 of the taxable price of any backpack or bookbag.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
11 1, 2023.