

## Chapter 957

**(House Bill 557)**

AN ACT concerning

**Sales and Use Tax Exemption – Aircraft Parts and Equipment – Repeal of Reporting Requirement and Extension of Sunset**

FOR the purpose of repealing a certain reporting requirement relating to an exemption from the sales and use tax for certain materials, parts, and equipment used to repair, maintain, or upgrade aircraft or certain aircraft systems; ~~repealing~~ extending the termination date of the exemption; and generally relating to an exemption from the sales and use tax for materials, parts, and equipment used to repair, maintain, or upgrade aircraft or aircraft systems.

BY repealing and reenacting, with amendments,  
 Article – Tax – General  
 Section 11–237  
 Annotated Code of Maryland  
 (2022 Replacement Volume and 2023 Supplement)

BY repealing and reenacting, with amendments,  
 Chapter 638 of the Acts of the General Assembly of 2020  
 Section 2

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

**Article – Tax – General**

11–237.

[(a)] The sales and use tax does not apply to the sale of materials, parts, or equipment used to repair, maintain, or upgrade aircraft or the avionics systems of aircraft if the materials, parts, or equipment are installed on an aircraft that:

- (1) has a maximum gross takeoff weight of less than 12,500 pounds; or
- (2) (i) has a maximum gross takeoff weight of 12,500 pounds or more;  
 and
- (ii) is primarily used in interstate or foreign commerce.

[(b)] On or before December 31 each year, the Comptroller shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on:

(1) the amount of sales and use tax revenue lost from the exemption under this section; and

(2) any change to the number of aviation technicians employed in the State as a result of the exemption under this section.]

**Chapter 638 of the Acts of 2020**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2020. [It shall remain effective for a period of ~~5~~ **10** years and, at the end of June 30, ~~2025~~ **2030**, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

**Approved by the Governor, May 16, 2024.**