

A006-0203

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**AN ACT Concerning
Sales and Use Tax – Rate**

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FOR the purpose of altering the rate of the sales and use tax; and generally relating to altering the rate of the sales and use tax.

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BY repealing and reenacting, with amendments,
Article – Tax – General
Section 11-104 (a) and (b) and 11-301
Annotated Code of Maryland
(1997 Replacement Volume and 2002 Supplement)

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SECTION 1. BE IT ENACTED BY THE MARYLAND STUDENT LEGISLATURE, that the Law of Maryland read as follows:

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Article – Tax – General

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11-104.

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(a) Except as otherwise provided in this section, the sales and use tax rate is:

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(1) for a taxable price of less than \$1:

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(i) 1 cent if the taxable price is 20 cents; ~~and~~

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(ii) ~~1 cent for each additional 20 cents or part of 20 cents~~ 2 CENTS IF THE TAXABLE PRICE IS AT LEAST 21 CENTS BUT LESS THAN 34 CENTS;

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(III) 3 CENTS IF THE TAXABLE PRICE IS AT LEAST 34 CENTS BUT LESS THAN 51 CENTS;

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(IV) 4 CENTS IF THE TAXABLE PRICE IS AT LEAST 51 CENTS BUT LESS THAN 67 CENTS;

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(V) 5 CENTS IF THE TAXABLE PRICE IS AT LEAST 67 CENTS BUT LESS THAN 84 CENTS;

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(VI) 6 CENTS IF THE TAXABLE PRICE IS AT LEAST 84 CENTS; AND

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(2) for a taxable price of \$1 or more:

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(i) ~~5~~ 6 cents for each exact dollar; and

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(ii) ~~1 cent for each additional 20 cents per part of 20 cents~~ FOR THAT PART OF A DOLLAR in excess of an exact dollar:

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1. 1 CENT IF THE EXCESS OVER AN EXACT DOLLAR IS AT LEAST 1 CENTS BUT LESS THAN 17 CENTS;

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2. 2 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS AT LEAST 17 CENTS BUT LESS THAN 34 CENTS;

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3. 3 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS

360 AT LEAST 34 CENTS BUT LESS THAN 51 CENTS;
370 4. 4 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS
380 AT LEAST 51 CENTS BUT LESS THAN 67 CENTS;
390 5. 5 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS
400 AT LEAST 67 CENTS BUT LESS THAN 84 CENTS; AND
410 6. 6 CENTS IF THE EXCESS OVER AN EXACT DOLLAR IS
420 AT LEAST 84.

430 (b) If a retail sale of tangible personal property or a taxable service is made through a
440 vending or other self-service machine, the sales and use tax rate is ~~5%~~ 6%, applied to
450 ~~95.25%~~ 94.5% of the gross receipts from the vending machine sales.

460 11-301.

470 The sales and use tax is computed on:

- 480 (1) the taxable price on each separate sale;
- 490 (2) if a combined sale is made, the combined taxable price of all retail sales on the
500 same occasion by the same vendor to the same buyer; or
- 510 (3) if retail sales of tangible personal property or a taxable service are made
520 through vending or other self-service machines, ~~95.25%~~ 94.5% of the gross
530 receipts from the retail sales.

540 **SECTION 2.** AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2004.

550 **MANDATES:** Governor Robert Ehrlich
560 Lt. Governor Michael Steele
570 Senate President Thomas V. "Mike" Miller
580 Speaker of the House Michael Busch
590 Senator John Hafer
600 Delegate Kevin Kelly
610 Delegate George Edwards
620 Delegate LeRoy Myers

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