

HOUSE BILL 250

Q4

8lr1545

By: **Delegates Morhaim, Healey, and Walker**

Introduced and read first time: January 23, 2008

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Tanning Services**

3 FOR the purpose of requiring the Comptroller to distribute certain sales and use tax
4 revenue in a certain manner to a certain special fund; altering the definition of
5 “taxable service” under the sales and use tax to impose the tax on certain
6 services; and generally relating to the sales and use taxation of certain services.

7 BY adding to

8 Article – Tax – General

9 Section 2–1302.3

10 Annotated Code of Maryland

11 (2004 Replacement Volume and 2007 Supplement)

12 BY repealing and reenacting, with amendments,

13 Article – Tax – General

14 Section 11–101(m)

15 Annotated Code of Maryland

16 (2004 Replacement Volume and 2007 Supplement)

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

19 **Article – Tax – General**

20 **2–1302.3.**

21 **NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE COMPTROLLER**
22 **SHALL DISTRIBUTE THE SALES AND USE TAX COLLECTED ON THE SALE OF**
23 **TANNING SERVICES INTO THE HEALTH CARE COVERAGE FUND ESTABLISHED**
24 **UNDER § 15–701 OF THE HEALTH – GENERAL ARTICLE.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 11-101.

2 (m) "Taxable service" means:

3 (1) fabrication, printing, or production of tangible personal property by
4 special order;

5 (2) commercial cleaning or laundering of textiles for a buyer who is
6 engaged in a business that requires the recurring service of commercial cleaning or
7 laundering of the textiles;

8 (3) cleaning of a commercial or industrial building;

9 (4) cellular telephone or other mobile telecommunications service;

10 (5) "900", "976", "915", and other "900"-type telecommunications
11 service;

12 (6) custom calling service provided in connection with basic telephone
13 service;

14 (7) a telephone answering service;

15 (8) pay per view television service;

16 (9) credit reporting;

17 (10) a security service, including:

18 (i) a detective, guard, or armored car service; and

19 (ii) a security systems service;

20 (11) a transportation service for transmission, distribution, or delivery
21 of electricity or natural gas, if the sale or use of the electricity or natural gas is subject
22 to the sales and use tax; [or]

23 (12) a prepaid telephone calling arrangement; **OR**

24 **(13) A TANNING SERVICE.**

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 July 1, 2008.