

# SENATE BILL 19

Q4

(PRE-FILED)

2lr0573  
CF 2lr0575

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By: **Senators Peters, Astle, Klausmeier, Garagiola, DeGrange, Rosapepe, King, Kelley, Colburn, Kittleman, Madaleno, Montgomery, Edwards, Manno, and Stone**

Requested: September 23, 2011

Introduced and read first time: January 11, 2012

Assigned to: Budget and Taxation

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## A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Exemption – Veterans’ Organizations**

3 FOR the purpose of repealing a certain termination provision applicable to a sales and  
4 use tax exemption for sales to certain veterans’ organizations; and generally  
5 relating to a sales and use tax exemption for certain sales to certain veterans’  
6 organizations.

7 BY repealing and reenacting, with amendments,  
8 Article – Tax – General  
9 Section 11–204(a)  
10 Annotated Code of Maryland  
11 (2010 Replacement Volume and 2011 Supplement)

12 BY repealing and reenacting, with amendments,  
13 Chapter 217 of the Acts of the General Assembly of 2006, as amended by  
14 Chapter 506 of the Acts of the General Assembly of 2009  
15 Section 2

16 BY repealing and reenacting, with amendments,  
17 Chapter 218 of the Acts of the General Assembly of 2006, as amended by  
18 Chapter 506 of the Acts of the General Assembly of 2009  
19 Section 2

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

22 **Article – Tax – General**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 11-204.

2 (a) The sales and use tax does not apply to:

3 (1) a sale to a cemetery company, as described in § 501(c)(13) of the  
4 Internal Revenue Code in effect on July 1, 1987;

5 (2) a sale to a credit union organized under the laws of the State or of  
6 the United States;

7 (3) a sale to a nonprofit organization made to carry on its work, if the  
8 organization:

9 (i) 1. is located in the State;

10 2. is located in an adjacent jurisdiction and provides its  
11 services within the State on a routine and regular basis; or

12 3. is located in an adjacent jurisdiction whose law:

13 A. does not impose a sales or use tax on a sale to a  
14 nonprofit organization made to carry on its work; or

15 B. contains a reciprocal exemption from sales and use  
16 tax for sales to nonprofit organizations located in adjacent jurisdictions similar to the  
17 exemption allowed under this subsection;

18 (ii) is a charitable, educational, or religious organization;

19 (iii) is not the United States; and

20 (iv) except for the American National Red Cross, is not a unit or  
21 instrumentality of the United States;

22 (4) a sale, not exceeding \$500, to a nonprofit incorporated senior  
23 citizens' organization made to carry on its work, if the organization:

24 (i) is located in the State; and

25 (ii) receives funding from the State or a political subdivision of  
26 the State;

27 (5) a sale to a volunteer fire company or department or volunteer  
28 ambulance company or rescue squad located in the State made to carry on the work of  
29 the company, department, or squad;

