

SENATE BILL 1025

Q4

8lr2885

By: **Senators Madaleno, Ferguson, and Guzzone**

Introduced and read first time: February 5, 2018

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Legislative Services – Study – Sales and Use Tax Collection by**
3 **Out-of-State Vendors**

4 FOR the purpose of requiring the Department of Legislative Services to retain an
5 independent consultant to study certain matters concerning the impact, collection,
6 and administration of the sales and use tax with respect to sales or deliveries by
7 out-of-state vendors to customers in the State; requiring the Department to report
8 to certain committees of the General Assembly on or before a certain date; providing
9 for the termination of this Act; and generally relating to the sales and use tax and
10 sales or deliveries by out-of-state vendors to customers in the State.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
12 That:

13 (a) The Department of Legislative Services shall retain an independent
14 consultant to:

15 (1) study:

16 (i) utilizing economic data from the immediately preceding 20 years,
17 the impact of sales or deliveries by out-of-state vendors to customers in the State on:

18 1. vendors with physical operations located in this State; and

19 2. the collection and administration of the sales and use tax;

20 (ii) the impact of adopting the Streamlined Sales and Use Tax
21 Agreement or implementing simplification requirements for sales and use tax
22 administration as required under the Marketplace Fairness Act of 2017 (S. 976), Remote
23 Transactions Parity Act of 2017 (H.R. 2193), or similar federal legislation; and

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) any other matter the Department of Legislative Services
2 determines is relevant to analyzing the impact of sales or deliveries by out-of-state vendors
3 to customers in the State on the collection and administration of the sales and use tax; and

4 (2) make recommendations to provide a method for out-of-state vendors to
5 collect and remit to the State sales and use taxes.

6 (b) On or before July 1, 2019, the Department of Legislative Services shall report
7 to the Governor and, subject to § 2-1246 of the State Government Article, to the members
8 of the Legislative Policy Committee and fiscal committees of the General Assembly on the
9 findings of the study and recommendations of the independent consultant.

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
11 1, 2018. It shall remain effective for a period of 1 year and 1 month and, at the end of June
12 30, 2019, this Act, with no further action required by the General Assembly, shall be
13 abrogated and of no further force and effect.