

## **Chapter 452**

### **(Senate Bill 19)**

AN ACT concerning

#### **Sales and Use Tax – Exemption – Veterans' Organizations**

FOR the purpose of repealing a certain termination provision applicable to a sales and use tax exemption for sales to certain veterans' organizations; and generally relating to a sales and use tax exemption for certain sales to certain veterans' organizations.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 11–204(a)

Annotated Code of Maryland

(2010 Replacement Volume and 2011 Supplement)

BY repealing and reenacting, with amendments,

Chapter 217 of the Acts of the General Assembly of 2006, as amended by

Chapter 506 of the Acts of the General Assembly of 2009

Section 2

BY repealing and reenacting, with amendments,

Chapter 218 of the Acts of the General Assembly of 2006, as amended by

Chapter 506 of the Acts of the General Assembly of 2009

Section 2

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

#### **Article – Tax – General**

11–204.

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

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

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

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

(i) 1. is located in the State;

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

3. is located in an adjacent jurisdiction whose law:

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

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

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

(iii) is not the United States; and

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

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

(i) is located in the State; and

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

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

(6) a sale of tangible personal property to a nonprofit parent-teacher association located in the State if the association makes the purchase to contribute the property to a school to which a sale is exempt under item (3) of this subsection or § 11-220 of this subtitle;

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

(i) is qualified as tax exempt under § 501(c)(4) of the Internal Revenue Code; and

(ii) is engaged primarily in providing a program to render its best efforts to contain, clean up, and otherwise mitigate spills of oil or other substances occurring in United States coastal and tidal waters; **OR**

(8) a sale to a bona fide nationally organized and recognized organization of veterans of the armed forces of the United States or an auxiliary of the organization or one of its units, if the organization is qualified as tax exempt under **§ 501(C)(4) OR § 501(c)(19)** of the Internal Revenue Code[; or

(9) a sale to a bona fide nationally organized and recognized organization of veterans of the armed forces of the United States or an auxiliary of the organization or one of its units, if the organization is qualified as tax exempt under **§ 501(c)(4)** of the Internal Revenue Code].

**Chapter 217 of the Acts of 2006, as amended by Chapter 506 of the Acts of 2009**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2006. [It shall remain effective for a period of 6 years and, at the end of June 30, 2012, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.]

**Chapter 218 of the Acts of 2006, as amended by Chapter 506 of the Acts of 2009**

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2006. [It shall remain effective for a period of 6 years and, at the end of June 30, 2012, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.]

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2012.

**Approved by the Governor, May 22, 2012.**