

Code of Maryland (1960 Supplement), title "Revenue and Taxes", sub-title "Retail Sales Tax Act", to impose the retail sales tax on certain foods for human consumption and, to lower the minimum taxable sale from fifty-one cents (51c) to twenty-five cents (25c); AND SPECIFYING THE RATE OF THE RETAIL SALES TAX ON CERTAIN FOODS FOR HUMAN CONSUMPTION; to repeal Section 324 (h) of said Article 81, and to enact a new section to be known as Section 326 (u), to follow immediately after Section 326 (t) thereof, relating to sales of ice; and to repeal and re-enact, with amendments, Section 373 of said Article 81, sub-title "Maryland Use Tax", to lower the minimum taxable sale from fifty-one cents (51c) to twenty-five cents (25c) under the Maryland Use Tax Act.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sections 324 (f), 325, 326 (b), 326 (c) and 326 (r) of Article 81 of the Annotated Code of Maryland (1960 Supplement), title "Revenue and Taxes", sub-title "Retail Sales Tax Act", be and they are hereby repealed and re-enacted, with amendments, to read as follows:

324.

(f) "Retail sale" and "sale at retail" shall mean the sale in any quantity or quantities of any tangible personal property or service taxable under the terms of this sub-title. Said term shall mean all sales of tangible personal property to any person for any purpose other than those in which the purpose of the purchaser is to resell the property so transferred in the form in which the same is, or is to be received by him, or to use or incorporate the property so transferred, as a material or part, of other tangible personal property to be produced for sale by manufacturing, assembling, processing or refining. For the purpose of the tax imposed by this sub-title, the term "sale at retail" shall include but shall not be limited to the following:

[(1) The sale for consumption of any alcoholic beverages as hereinafter defined, or other tangible personal property at any restaurant, hotel, drugstore, club, resort, or other place at which meals, food, drink or other tangible personal property are sold.]

*(1) The sale of any alcoholic beverages; and the sale for human consumption of any meals, food or drink at any restaurant or any other place where food is sold for consumption on the premises and all sales of food which is prepared in any way by the vendor.*

*By way of partial enumeration only and not by way of limitation, the following sales are intended to be taxed: Sales of sandwiches, pizzas, french fries, milk shakes, ice cream except that which is sold in containers of one pint or more, sea food and similar items sold by carry-out shops, lunch counters, drive-ins, delicatessens, vehicles or mobile units, public or private caterers and similar establishments. The tax shall not apply to general grocery store food items sometimes referred to as the "family market basket", including bakery and dairy items (other than ice cream) and any foods which require further preparation by the retail purchaser such as thawing, cooking or similar processing.*

(2) Any production, fabrication or printing of tangible personal property on special order for a consideration.