

(E) THE RATES SET FORTH IN (A), (B) AND (C) ABOVE DO NOT APPLY TO SALES FOR HUMAN CONSUMPTION OF ANY MEALS, FOOD OR DRINK (OTHER THAN ALCOHOLIC BEVERAGES) AS DEFINED IN SECTION 324 (F) (1) OF THIS SUB-TITLE; ON SUCH SALES WHERE THE PRICE IS ONE DOLLAR (\$1.00), THE TAX IS THREE CENTS (3C); AND ON SUCH SALES WHERE THE PRICE IS IN EXCESS OF ONE DOLLAR (\$1.00) THE RATE OF TAX SPECIFIED IN PARAGRAPH (D) ABOVE SHALL APPLY.

The tax shall be due and payable at the rates set forth herein on all sales of taxable property or services delivered to the purchaser on or after [January 1, 1959] *June 1, 1961*.

326.

(b) Price less than [fifty-one cents.] *twenty-five cents*.—Sales where the purchase price is less than [fifty-one cents] *twenty-five cents*.

(c) [Food.—Sales of meals or food for human consumption, regardless of the place of consumption.] *Sales of general grocery food items and sales of meals and food by churches, religious organizations, schools and colleges.*

(r) [Food or beverages on trains.] Sales of food or beverages of any nature if made [in any dining car, Pullman car or club car composing a part of any train operating] *in any vehicle which is being operated* within this State in the course of interstate commerce.

SEC. 2. *And be it further enacted*, That Section 324 (h) of Article 81 of the Annotated Code of Maryland (1960 Supplement), title "Revenue and Taxes", sub-title "Retail Sales Tax Act", be and the same is hereby repealed.

SEC. 3. *And be it further enacted*, That a new sub-section to be known as Section 326 (u) be and the same is hereby added to Article 81 of the Annotated Code of Maryland (1960 Supplement), title "Revenue and Taxes", sub-title "Retail Sales Tax Act", heading "Exemptions", to follow immediately after Section 326 (t) thereof and to read as follows:

326.

(u) *Ice when used for household consumption.*

SEC. 4. *And be it further enacted*, That Section 373 of Article 81 of the Annotated Code of Maryland (1960 Supplement), title "Revenue and Taxes", sub-title "Maryland Use Tax", be and the same is hereby repealed and re-enacted, with amendments, to read as follows:

373.

An excise tax is hereby levied and imposed on the use, storage or consumption in this State of tangible personal property and certain services purchased within or without this State on or after the effective date of this section. The tax imposed by this section shall be paid by the purchaser and shall be computed as follows:

[a) On each sale where the price is from fifty-one cents (51c) to sixty-six cents (66c), both inclusive, two cents (2c);