

[(x)]~~(w)~~(U)(V) Baskets, crates, hampers, etc., purchased by farmers.—Sales of baskets, crates, hampers, boxes, hogsheads and other containers purchased by a farmer to transport to the market products which he raises.

[(y)]~~(x)~~(V)(W) Flags.—Sales of American flags and Maryland flags.

[(z)]~~(y)~~(W)(X) Demurrage charge on gas cylinders.—Sales in the form of a demurrage charge on what is generally referred to as a gas cylinder, when not imposed as a rental charge but rather as a penalty for a failure to return the cylinder within a designated period.

[(aa)]~~(z)~~(X)(Y) Crab bait.—Fish or other materials used as crab bait, whether in “crab pots” or otherwise.

[(bb)]~~(aa)~~(Y)(Z) Materials used in research and development.—Sales of all materials which are consumed, mutilated, or tested to destruction, in the performance of research and development, and of all materials which become a component part of any product produced in the research and development process.

[(cc)]~~(bb)~~(Z)(AA) Sales to financial institutions.—Sales to all financial institutions, as defined in Section 128A of this article, to the same extent that all sales to national banks are exempt under federal law.

[(dd)]~~(cc)~~(AA)(BB) Telephone, telegraph, etc., messages or service.—The sale of or charges for telephone, telegraph, or other telecommunication messages or service; provided that this exemption shall automatically terminate, without further action by the General Assembly, and such sales or charges shall become taxable under this subtitle, to be collected upon original statements and billings made on or after the effective date of federal legislation reducing or eliminating the rate of federal excise tax upon such sales or charges, to one percent or less.

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 twenty-five cents (25¢) to thirty-three cents (33¢), both inclusive, one cent (1¢);

(b) On each sale where the price is from thirty-four cents (34¢) to sixty-six cents (66¢), both inclusive, two cents (2¢);

(c) On each sale where the price is from sixty-seven cents (67¢) to one dollar (\$1) both inclusive, three cents (3¢);

(d) On each sale where the price is in excess of one dollar (\$1), three cents (3¢) on each even dollar plus one cent (1¢) for each thirty-three cents (33¢) or fraction thereof in excess of the even dollar(s).]

(a) On each sale where the price is twenty-five cents (25¢), one cent (1¢);