

BEFORE ADDING ANY MARKUP, IF THE RETAILER:

(i) BUYS AT WHOLESALE OR BUYS DIRECTLY FROM THE MANUFACTURER OR THE AGENT OR BROKER OF THE MANUFACTURER; AND

(ii) RECEIVES A WHOLESALE PRICE OR DISCOUNT ON MERCHANDISE FOR RETAIL SALE.

REVISOR'S NOTE: Items (1) through (3) of this subsection presently appear as Art. 83, §112(a).

Item (4) is new language derived without substantive change from Art. 83, §112(i). It is incorporated into the definition for purposes of combining in one place all provisions which relate to the meaning and computation of the "cost to the retailer."

The only other changes are in style.

(C) COST TO THE WHOLESALER.

"COST TO THE WHOLESALER" MEANS THE LESSER OF THE INVOICE COST OR THE REPLACEMENT COST OF THE MERCHANDISE TO THE WHOLESALER; MINUS ANY DISCOUNT OTHER THAN A CUSTOMARY DISCOUNT FOR CASH; PLUS:

(1) A FREIGHT CHARGE OTHERWISE NOT INCLUDED IN THE INVOICE COST OR THE REPLACEMENT COST OF THE MERCHANDISE;

(2) A CARTAGE COST TO THE RETAIL OUTLET IF PERFORMED OR PAID FOR BY THE WHOLESALER, WHICH, IN THE ABSENCE OF PROOF OF A LESSER COST, IS 0.75 PERCENT OF THE COST TO THE WHOLESALER, AFTER ADDING THE FREIGHT CHARGE BUT BEFORE ADDING THE CARTAGE COST AND ANY MARKUP; AND

(3) A MARKUP TO COVER IN PART THE COST OF DOING BUSINESS, WHICH, IN THE ABSENCE OF PROOF OF A LESSER COST, IS 2 PERCENT OF THE COST TO THE WHOLESALER, AFTER ADDING THE FREIGHT CHARGE AND THE CARTAGE COST BUT BEFORE ADDING ANY MARKUP.

REVISOR'S NOTE: This subsection presently appears as Art. 83, §112(b).

In item (2) of this subsection, the words "and any markup" are added for purposes of clarification as well as conformity with the similar language contained in subsection (b) (2).