

~~conversion of any property for use on or by such vessels. For the purpose of exempting from the sales tax the sales of aircraft, vessels, railroad rolling stock, and motor vehicles, which will be used principally in the movement of passengers or freight, or both, in interstate and foreign commerce, and sales of replacement parts and other tangible personal property to be used physically in, on, or by them.~~

BY adding to

Article 81 - Revenue and Taxes
Section 326(gg)
Annotated Code of Maryland
(1975 Replacement Volume and 1976 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That new Section 326(gg) be and it is hereby added to Article 81 - Revenue and Taxes, of the Annotated Code of Maryland (1975 Replacement Volume and 1976 Supplement) to read as follows:

Article 81 - Revenue and Taxes

326.

The tax hereby levied shall not apply to the following sales:

~~(GG) THE SALE, REPAIR, ALTERATION, OR CONVERSION OF, AND THE PROPERTY FOR USE ON OR BY, A VESSEL OF 50 TON BURDEN OR MORE WHICH IS PRINCIPALLY ENGAGED IN CARRYING PASSENGERS OR FREIGHT IN INTERSTATE OR FOREIGN COMMERCE.~~

(GG) SALES OF AIRCRAFT, VESSELS, RAILROAD ROLLING STOCK, AND MOTOR VEHICLES, WHICH WILL BE USED PRINCIPALLY IN THE MOVEMENT OF PASSENGERS OR FREIGHT, OR BOTH, IN INTERSTATE AND FOREIGN COMMERCE, AND SALES OF REPLACEMENT PARTS AND OTHER TANGIBLE PERSONAL PROPERTY TO BE USED PHYSICALLY IN, ON, OR BY THEM.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1977.

Approved May 17, 1977.

CHAPTER 395

(House Bill 212)

AN ACT concerning