

is, or is to be received by him, (ii) to destroy the property so transferred in the manufacturing, assembling, processing or refining of other tangible personal property to be produced for sale or in the generation of electricity, or (iii) to use or incorporate the property so transferred as a material or part, or other tangible personal property to be produced for sale by manufacturing, assembling, processing or refining. Tangible personal property shall be considered to be destroyed in manufacturing, processing, assembling, refining or in the generation of electricity if it is changed in nature by reason of its use in a relatively short period of time, as the nature of coal is changed by burning, as refractories which come in direct contact with molten metals are changed by heat and abrasion, as grinding wheels are reduced to dust, as acids are changed by contamination, and so forth. Property which is broken or mutilated shall not be considered to be destroyed. Tangible personal property shall not be considered to be destroyed in such operations if its value as property is ordinarily dissipated through the gradual wear or tear incident to its use. Machinery and small tools shall not be considered to be destroyed in such operations. The terms "manufacturing," "assembling," "processing," and "refining" shall not include (A) maintaining, servicing, or repairing, (B) testing finished products, or (C) providing for the comfort or health of employees. For the purpose of the tax imposed by this subtitle, the term "sale at retail" includes but is not limited to the following:

(4) The sale of natural or artificial gas, oil, electricity, coal, nuclear fuel assemblies, or steam, when made to any NONRESIDENTIAL purchaser for purposes other than resale or for use in manufacturing, assembling, processing, refining, or in the generation of electricity.

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

(LL) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS SUBTITLE, SALES AT RETAIL OF NATURAL AND ARTIFICIAL GAS, OIL, ELECTRICITY, AND COAL USED FOR RESIDENTIAL PURPOSES. THIS EXEMPTION APPLIES TO ALL OF THE ABOVE FUELS USED FOR HEATING RESIDENTIAL DWELLINGS, INCLUDING APARTMENTS.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1979.

(JJ) Until June 30, 1980, the (JJ) (1) THE amount of the fuel rate adjustment included in the sales of natural or artificial gas, electricity, or steam used in residential properties including apartment dwellings. The fuel rate adjustment shall be that amount of the sale above the base rate approved by the Public Service Commission for those fuels. -}