

FOR the purpose of exempting certain sales of cigarettes from the retail sales tax and providing for an increased excise tax on cigarettes in lieu of a retail sales tax; providing for disbursement of the proceeds of the tax; providing that the sale and use of all cigarettes in the State shall be subject to the full tax; providing that cigarettes held for sale after the effective date of this Act shall bear stamps equal to the increased rate of tax, except under certain conditions; providing that, with certain exceptions, a certain stamp shall be used to evidence the statewide tax; and clarifying language.

BY adding to

Article 81 - Revenue and Taxes  
Section 326(oo)  
Annotated Code of Maryland  
(1975 Replacement Volume and 1979 Supplement)

BY repealing and reenacting, with amendments,

Article 81 - Revenue and Taxes  
Section 433 and 460(a)  
Annotated Code of Maryland  
(1975 Replacement Volume and 1979 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 81 - Revenue and Taxes

326.

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

(OO) SALES OF CIGARETTES UPON WHICH A TAX HAS BEEN PAID PURSUANT TO THE PROVISIONS OF § 431 OF THIS ARTICLE.

433.

The rate or amount of tax [hereby] levied and imposed shall be [five (5)] 6 1/2 cents for each ten [(10)] cigarettes or fractional part thereof.

460.

(a) The Comptroller shall pay into a special fund in the treasury all taxes, penalties and interest collected and received by him pursuant to this subtitle. Such proceeds shall be disbursed upon the warrant of the Comptroller for the following purposes:

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