

Annotated Code of Maryland  
(2004 Replacement Volume and 2005 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Tax - General**

11-101.

(f) (1) "Production activity" means:

(iii) 1. laundering, maintaining, or preparing textile products for rental; OR

2. LAUNDERING, MAINTAINING, OR PREPARING TEXTILE PRODUCTS IN PROVIDING THE TAXABLE SERVICE OF COMMERCIAL CLEANING OR LAUNDERING OF TEXTILES FOR A BUYER WHO IS ENGAGED IN A BUSINESS THAT REQUIRES THE RECURRING SERVICE OF COMMERCIAL CLEANING OR LAUNDERING OF THE TEXTILES;

(2) "Production activity" does not include:

(ii) maintaining tangible personal property[, except] OTHER THAN textile products for rental and production machinery and equipment, EXCEPT FOR MAINTAINING TANGIBLE PERSONAL PROPERTY IN PROVIDING THE TAXABLE SERVICE OF COMMERCIAL CLEANING OR LAUNDERING OF TEXTILES FOR A BUYER WHO IS ENGAGED IN A BUSINESS THAT REQUIRES THE RECURRING SERVICE OF COMMERCIAL CLEANING OR LAUNDERING OF THE TEXTILES;

(h) (3) "Retail sale" does not include:

(ii) a sale of tangible personal property if the buyer intends to:

2. use or incorporate the tangible personal property in a production activity as a material or part of other tangible personal property to be produced for sale; or

(m) "Taxable service" means:

(2) commercial cleaning or laundering of textiles for a buyer who is engaged in a business that requires the recurring service of commercial cleaning or laundering of the textiles;

(n) (3) "Use" does not include:

(ii) an exercise of a right or power over tangible personal property acquired by a sale for use if the buyer intends to:

2. use or incorporate the tangible personal property in a production activity as a material or part of other tangible personal property to be produced for sale; or