

Defined terms: "Buyer" § 11-101
"Comptroller" § 1-101 "Retail sale" § 11-101
"Sales and use tax" § 1-101 "Vendor" § 11-101

11-407. SAME -- DIRECT PAY PERMIT FOR BUYER.

(A) PERMIT FROM COMPTROLLER.

(1) A VENDOR LICENSED UNDER SUBTITLE 7 OF THIS TITLE MAY SUBMIT TO THE COMPTROLLER AN APPLICATION FOR AUTHORITY TO MAKE DIRECT PAYMENT, TO THE COMPTROLLER, OF THE SALES AND USE TAX DUE ON A PURCHASE BY THAT VENDOR.

(2) IF THE COMPTROLLER APPROVES THE APPLICATION, THE COMPTROLLER MAY ISSUE TO THE APPLICANT A PERMIT TO EVIDENCE THE DIRECT PAYMENT AUTHORITY.

(3) THE COMPTROLLER MAY:

(I) ISSUE THE PERMIT SUBJECT TO REASONABLE AND NECESSARY TERMS AND CONDITIONS; AND

(II) REVOKE THE DIRECT PAYMENT PERMIT AT ANY TIME FOR CAUSE.

(B) EFFECT OF DIRECT PAYMENT PERMIT ON COLLECTION.

A VENDOR WHO RECEIVES EVIDENCE THAT THE BUYER HAS A DIRECT PAYMENT PERMIT IS DISCHARGED FROM:

(1) THE DUTY TO COLLECT THE SALES AND USE TAX; AND

(2) THE LIABILITY FOR THE SALES AND USE TAX.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 81, § 360A, the second clause of the third sentence of § 333, as that clause required that a certificate be furnished, and § 399, as that section applied the direct payment provisions to the former use tax.

Subsection (a) of this section is rephrased to provide for application, issuance, conditions, and revocation of a permit.

In the introductory language of subsection (b) of this section, the defined term "buyer" is substituted for the former word "permittee", for clarity.

Also in the introductory language of subsection (b) of this section, the former word "lessor" is deleted as unnecessary in light of the word "vendor".

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