

"Comptroller" § 1-101

"Sales and use tax" § 1-101 "Vendor" § 11-101

11-408. SAME -- WHEN BUYER REQUIRED TO DEMONSTRATE EXEMPTION.

(A) WHEN EVIDENCE OF EXEMPTION REQUIRED.

IF A BUYER IS REQUIRED UNDER SUBTITLE 2 OF THIS TITLE OR BY REGULATION TO PROVIDE A VENDOR WITH EVIDENCE OF AN EXEMPTION, THE VENDOR MAY NOT RECOGNIZE THE EXEMPTION UNLESS THE BUYER, BEFORE THE SALE IS CONSUMMATED, PROVIDES THE VENDOR WITH:

(1) EVIDENCE THAT THE BUYER HAS AN EXEMPTION CERTIFICATE; OR

(2) THE EVIDENCE THAT THE COMPTROLLER REQUIRES BY REGULATION.

(B) WHEN RESALE CERTIFICATE REQUIRED.

(1) THE DUTY OF A VENDOR TO COLLECT THE SALES AND USE TAX FROM A BUYER IS WAIVED IF THE BUYER PROVIDES THE VENDOR WITH A SIGNED RESALE CERTIFICATE THAT:

(I) IS IN THE FORM THAT THE COMPTROLLER REQUIRES BY REGULATION;

(II) STATES THE NAME, ADDRESS, AND REGISTRATION CERTIFICATE NUMBER OF THE BUYER; AND

(III) CONTAINS A STATEMENT TO THE EFFECT THAT THE TANGIBLE PERSONAL PROPERTY OR TAXABLE SERVICE IS BOUGHT FOR THE PURPOSE OF RESALE.

(2) A VENDOR MAY NOT ACCEPT A RESALE CERTIFICATE IF THE VENDOR KNOWS OR SHOULD KNOW THAT THE SALE IS NOT FOR THE PURPOSE OF RESALE.

(3) A VENDOR SHALL OBTAIN A RESALE CERTIFICATE FROM A BUYER:

(I) BEFORE THE SALE IS CONSUMMATED; OR

(II) IF THE VENDOR RECEIVES A NOTICE OF THE COMPTROLLER'S INTENT TO ASSESS SALES AND USE TAX FOR FAILURE TO OBTAIN A PROPER RESALE CERTIFICATE, WITHIN 60 DAYS AFTER THE DATE ON WHICH THE NOTICE IS MAILED.

(4) IF THE VENDOR FAILS TO OBTAIN THE RESALE CERTIFICATE AS REQUIRED, THE COMPTROLLER'S ASSESSMENT UNDER PARAGRAPH (3)(II) OF THIS SUBSECTION IS FINAL.

REVISOR'S NOTE: This section is new language derived without substantive change from former Art. 81, § 333A, the third of § 326(i)(3)(ii), the first and