

(c) For fiscal year 1987, and each fiscal year thereafter, the employer social security contributions paid by the State for any eligible position in a county public library system may not exceed 7.15 percent of that part of the salary paid which is included within the social security wage base as defined in federal law.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1989.

Approved May 25, 1989.

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CHAPTER 696

(House Bill 822)

AN ACT concerning

Sales and Use Tax - Research and Development

FOR the purpose of expanding the definition of "research and development" for purposes of certain exemptions from the sales and use tax; correcting an erroneous cross reference; and generally relating to certain sales and use tax exemptions.

BY repealing and reenacting, with amendments,

Article - Tax - General  
Section 11-210(b) and 11-217  
Annotated Code of Maryland  
(1988 Volume)

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

Article - Tax - General

11-210.

(b) The sales and use tax does not apply to a sale of:

(1) machinery or equipment, a replacement part of machinery or equipment, or a service for the assembly or fabrication of machinery or equipment or replacement part that:

(i) is capitalized to claim depreciation, using acceptable and consistent accounting standards;