

Speaker of the House of Delegates
State House
Annapolis, Maryland 21401

Dear Mr. Speaker:

In accordance with Article II, Section 17 of the Maryland Constitution, I have today vetoed House Bill 1170.

This bill would alter the sales and use tax exemption for tangible personal property used in research and development.

Senate Bill 660, which was passed by the General Assembly and signed by me on May 27, 1993, accomplishes the same purpose. Therefore, it is not necessary for me to sign House Bill 1170.

Sincerely,
William Donald Schaefer
Governor

House Bill No. 1170

AN ACT concerning

Sales and Use Tax – Research and Development

FOR the purpose of altering the exemption from the sales and use tax for sales of certain property used in research and development in a certain manner; repealing the exemption from the sales and use tax for sales of certain machinery or equipment used for research and development; and generally relating to the applicability of the sales and use tax to research and development.

BY repealing and reenacting, with amendments,

Article – Tax – General

Section 11-210(b) and 11-217

Annotated Code of Maryland

(1988 Replacement Volume and 1992 Supplement)

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: