

CHAPTER 115

(Senate Bill 179)

AN ACT concerning

Sales and Use Tax – Bakery Equipment

FOR the purpose of exempting from the sales and use tax certain sales of equipment used by certain retail food vendors to manufacture or process bread or bakery goods for resale; and generally relating to an exemption for the sales and use tax for certain sales of equipment used by certain retail food vendors to manufacture or process bread or bakery goods for resale.

BY repealing and reenacting, without amendments,

Article – Tax – General

Section 11-206(a)(7)

Annotated Code of Maryland

(1988 Volume and 1995 Supplement)

BY adding to

Article – Tax – General

Section 11-210(c)

Annotated Code of Maryland

(1988 Volume and 1995 Supplement)

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

Article – Tax – General

11-206.

(a) (7) “Substantial grocery or market business” means a business at which at least 10% of all sales of food are sales of grocery or market food items, not including food normally consumed on the premises even though it is packaged to carry out.

11-210.

(C) THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF EQUIPMENT THAT IS USED BY A RETAIL FOOD VENDOR TO MANUFACTURE OR PROCESS BREAD OR BAKERY GOODS FOR RESALE IF:

(1) THE TAXABLE PRICE OF ~~THE~~ EACH PIECE OF EQUIPMENT IS AT LEAST \$2,000; AND

(2) THE RETAIL FOOD VENDOR OPERATES A SUBSTANTIAL GROCERY OR MARKET BUSINESS, AS DEFINED IN § 11-206(A) OF THIS SUBTITLE, AT THE SAME LOCATION WHERE THE FOOD IS SOLD.