

1. EXCEPT AS PROVIDED IN ITEM (II)2 AND 3 OF THIS PARAGRAPH, GROSS CHARGES FOR THE TRANSMISSION, DISTRIBUTION, OR DELIVERY OF ELECTRICITY OR NATURAL GAS OR FOR DISTRIBUTION OR DELIVERY-RELATED SERVICES; AND

2. COMPETITIVE TRANSITION CHARGES, INTANGIBLE TRANSITION CHARGES, AND ANY OTHER SURCHARGE OR OTHER COST-RECOVERY MECHANISM AUTHORIZED FOR RECOVERY OF TRANSITION COSTS OR THE COSTS OF DEMAND SIDE MANAGEMENT OR OTHER ENERGY CONSERVATION PROGRAMS, UNIVERSAL SERVICE OR OTHER PUBLIC PURPOSE PROGRAMS, OR CONSUMER EDUCATION PROGRAMS; AND

(II) "GROSS RECEIPTS" DOES NOT INCLUDE:

1. GROSS CHARGES FROM THE SALE OF ELECTRICITY OR NATURAL GAS;

2. GROSS CHARGES FROM THE TRANSMISSION, DISTRIBUTION, OR DELIVERY OF ELECTRICITY OR NATURAL GAS TO ANOTHER PUBLIC SERVICE COMPANY SUBJECT TO THE TAX IMPOSED UNDER § 8-402 OF THIS SUBTITLE IF THE BUYER INTENDS TO RESELL THE ELECTRICITY OR NATURAL GAS; OR

3. GROSS CHARGES FROM AN INTERSTATE TRANSMISSION NETWORK OR FROM THE TRANSMISSION, DISTRIBUTION, OR DELIVERY OF ELECTRICITY OR NATURAL GAS TO A CUSTOMER LOCATED IN ANOTHER STATE.

[(b-1)] (D) "Long distance telecommunications service" means telecommunications service for a telecommunication that does not originate and terminate in the same local calling area.

(E) "PRODUCTION ACTIVITY" HAS THE MEANING STATED IN § 11-101 OF THIS ARTICLE.

[(c)] (F) [(1)] "Public service company" means a person:

(1) engaged in [an electric, gas, oil pipeline, telegraph, or] A telephone business in the State; OR

(2) ENGAGED IN THE TRANSMISSION, DISTRIBUTION, OR DELIVERY OF ELECTRICITY OR NATURAL GAS IN THE STATE.

[(2)] "Public service company" does not include:

- (i) a county;
- (ii) a municipal corporation; or
- (iii) a nonprofit electric cooperative.]

8-402.

(A) A franchise tax, measured by gross receipts, is imposed, for each calendar year, on each public service company [doing]: