

water sold in containers of one gallon or more in Maryland, most are sold to businesses and consumers on local water systems or with functional wells. Most of the tax savings from Senate Bill 408, therefore, will not go to the rural homeowners who are the stated intended beneficiaries of the bill.

In concert with my view that the sales tax exemption on bottled water is too broad, I am concerned about the fiscal cost of this legislation given other general fund commitments enacted during the 2000 Session. I believe the \$11.7 million over five years would be better devoted to on-going State commitments in priority areas such as education and the environment.

For the above reasons, I have vetoed Senate Bill 408.

Sincerely,  
Parris N. Glendening  
Governor

### Senate Bill No. 408

AN ACT concerning

#### Sales and Use Tax - Exemption for Bottled Water

FOR the purpose of ~~including certain bottled water within the definition of "food" for purposes of certain sales and use tax exemptions for sales of food; and exempting from the sales and use tax the sale of certain bottled water through a vending machine~~ exempting from the sales and use tax certain bottled water; and generally relating to a sales and use tax exemption for sales of certain bottled water.

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 11-206

Annotated Code of Maryland

(1997 Replacement Volume and 1999 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) (1) In this section the following words have the meanings indicated.
- (2) "Food for immediate consumption" means:
- (i) food obtained from a salad, soup, or dessert bar;
  - (ii) party platters;
  - (iii) heated food;