

CHAPTER 461**(House Bill 284)**

AN ACT concerning

Sales and Use Tax - Resale Certificates - Out-of-State Vendors

FOR the purpose of altering certain requirements for the use of resale certificates under the sales and use tax by allowing a vendor to accept a resale certificate that provides a sales and use tax registration number of another state under certain circumstances; providing that a sales and use tax registration license or comparable license from another state be provided to a vendor under certain circumstances; and generally relating to the use of resale certificates under the sales and use tax.

BY repealing and reenacting, with amendments,

Article - Tax - General

Section 11-408(b)

Annotated Code of Maryland

(1997 Replacement Volume and 2000 Supplement)

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

Article - Tax - General

11-408.

(b) (1) Except as provided in paragraph [(2)] (3) of this subsection, the duty of a vendor to collect the sales and use tax from a buyer is waived if the buyer provides the vendor with a signed resale certificate that:

(i) is in the form that the Comptroller requires by regulation;

(ii) states the name[,] AND address[, and registration certificate number] of the buyer;

(III) 1. PROVIDES THE MARYLAND SALES AND USE TAX REGISTRATION NUMBER OF THE BUYER; OR

2. FOR THE SALE OF AN ANTIQUE OR USED COLLECTIBLE, PROVIDES A SALES AND USE TAX REGISTRATION NUMBER OF ANOTHER STATE AND STATES THAT THE BUYER IS AN OUT-OF-STATE VENDOR WHO DOES NOT ENGAGE IN THE BUSINESS OF AN OUT-OF-STATE VENDOR, AS DEFINED IN § 11-701 OF THIS TITLE; and

[(iii)] (IV) contains a statement to the effect that the tangible personal property or taxable service is bought for the purpose of resale.

(2) (I) IF A BUYER PROVIDES A RESALE CERTIFICATE WITH A SALES AND USE TAX REGISTRATION NUMBER OF ANOTHER STATE AS PROVIDED UNDER