

(3) DURING THE TAX-FREE WEEKEND ESTABLISHED UNDER PARAGRAPH (2) OF THIS SUBSECTION, THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF ANY:

(I) ENERGY STAR PRODUCT; OR

(II) SOLAR WATER HEATER.

[(c)] (B) The sales and use tax does not apply to the sale of a multifuel pellet stove designed to burn agricultural field corn.

11-228.

(a) In this section, "accessory items" includes jewelry, watches, watchbands, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, and belt buckles.

(b) (1) ~~The BEGINNING IN CALENDAR YEAR 2010, THE~~ [5-day period from August 23, 2006 through August 27, 2006.] 7-DAY PERIOD FROM THE SECOND SUNDAY IN AUGUST THROUGH THE FOLLOWING SATURDAY shall be a tax-free period for back-to-school shopping in Maryland during which the exemption under paragraph (2) of this subsection shall apply.

(2) During the tax-free period for back-to-school shopping established under paragraph (1) of this subsection, the sales and use tax does not apply to the sale of any item of clothing or footwear, excluding accessory items, if the taxable price of the item of clothing or footwear is \$100 or less.

SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Tax - General

12-105.

(a) The tobacco tax rate for cigarettes is:

(1) [50 cents] \$1.00 for each package of 10 or fewer cigarettes;

(2) [\$1.00] \$2.00 for each package of at least 11 and not more than 20 cigarettes;

(3) [5.0] 10.0 cents for each cigarette in a package of more than 20 cigarettes; and