

6. milk, including ice cream; and

7. sugar.

(iii) "Food" does not include:

1. an alcoholic beverage as defined in § 5-101 of this article;

2. a soft drink or carbonated beverage [sold in an unopened container]; or

3. candy or confectionery.

(4) "Premises" includes any building, grounds, parking lot, or other area that:

(i) a food vendor owns or controls; or

(ii) another person makes available primarily for the use of the patrons of 1 or more food vendors.

(5) "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.

(b) The sales and use tax does not apply to a sale of food stamp eligible food, as defined in 7 U.S.C. § 2012, bought with a food coupon issued in accordance with 7 U.S.C. § 2016.

[(c) The sales and use tax does not apply to a sale of food for less than \$1.

(d) (1) (C) Except [as otherwise provided in this subsection] FOR FOOD THAT THE VENDOR SERVES FOR CONSUMPTION ON THE PREMISES OF THE BUYER OR OF A THIRD PARTY, the sales and use tax does not apply to a sale of food[:

(i) by a food vendor who provides no facilities for food consumption on the premises; or

(ii)] for consumption off the premises [where sold] by a food vendor who[:

1. provides facilities for food consumption on the premises; and

2.] operates a substantial grocery or market business at the same location where the food is sold.

[(2) The exemptions under paragraph (1) of this subsection do not apply to a sale, by a food vendor, of food:

(i) within an enclosure for which a charge is made for admission;

(ii) that the vendor serves for consumption on the premises of the buyer or of a third party; or