HOUSE BILL 113

Q4 7lr1071

By: **Delegate Wivell**
Introduced and read first time: January 16, 2017
Assigned to: Ways and Means

A BILL ENTITLED

AN ACT concerning

Sales and Use Tax Exemption – Target Redevelopment Area – Definition

FOR the purpose of altering the definition of a certain target redevelopment area to include a certain area in Washington County for purposes of an exemption from the sales and use tax for the purchase of certain materials and equipment to be used in a target redevelopment area; and generally relating to an exemption from the sales and use tax for the purchase of certain materials and equipment.

BY repealing and reenacting, with amendments,
Article – Tax – General
Section 11–232
Annotated Code of Maryland
(2016 Replacement Volume)

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

Article – Tax – General

11–232.

(a) (1) In this section the following words have the meanings indicated.

(2) (i) "Construction material" means an item of tangible personal property that is used to construct or renovate a building, a structure, or an improvement on land and that typically loses its separate identity as personal property once incorporated into the real property.

(ii) "Construction material" includes building materials, building systems equipment, landscaping materials, and supplies.

EXPLANATION: **CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.**
[Brackets**]** indicate matter deleted from existing law.

(3) "Target redevelopment area" means any real property owned or leased by a person in**:**

(I) Baltimore County that:

[(i)**]** **1.** was previously owned at any time by Bethlehem Steel Corporation, or any of its subsidiaries; and

[(ii)**]** **2.** was, as of January 1, 2016, the subject of an approved application for participation in the Voluntary Cleanup Program under Title 7, Subtitle 5 of the Environment Article**; OR**

(II) WASHINGTON COUNTY THAT WAS PREVIOUSLY THE SITE OF THE FORT RITCHIE MILITARY INSTALLATION.

(4) "Warehousing equipment" means equipment used for material handling and storage, including racking systems, conveying systems, and computer systems and equipment.

(b) The sales and use tax does not apply to a sale of construction material or warehousing equipment, if:

(1) the material or equipment is purchased by a person solely for use in a target redevelopment area; and

(2) the buyer provides the vendor with evidence of eligibility for the exemption issued by the Comptroller.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2017.