SENATE BILL 174

Q4 3lr1317
CF 3lr1476

By: **Senators Guzzone and Salling**
Introduced and read first time: January 20, 2023
Assigned to: Budget and Taxation

A BILL ENTITLED

AN ACT concerning

Sales and Use Tax Exemption – Redevelopment Areas in Baltimore County – Sunset Extension

FOR the purpose of extending the termination date applicable to an exemption from the sales and use tax for certain construction material or warehousing equipment purchased for use in a certain target redevelopment area in Baltimore County; and generally relating to sales and use tax exemptions.

BY repealing and reenacting, without amendments,
Article – Tax – General
Section 11–232
Annotated Code of Maryland
(2022 Replacement Volume)

BY repealing and reenacting, with amendments,
Chapter 603 of the Acts of the General Assembly of 2016
Section 2

BY repealing and reenacting, with amendments,
Chapter 604 of the Acts of the General Assembly of 2016
Section 2

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.

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

(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.

(3) “Target redevelopment area” means any real property owned or leased by a person in Baltimore County that:

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

(ii) 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.

(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.

Chapter 603 of the Acts of 2016

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of **[**10**]** **20** years and, at the end of June 30, **[**2026**]** **2036**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Chapter 604 of the Acts of 2016

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2016. It shall remain effective for a period of **[**10**]** **20** years and, at the end of June 30, **[**2026**]** **2036**, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2023.