

HOUSE BILL 1051

Q4

2lr1453

By: **Delegates Hixson and Gilchrist**

Introduced and read first time: February 10, 2012

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Sales and Use Tax – Services**

3 FOR the purpose of altering the definition of “taxable service” under the sales and use
4 tax to impose the tax on certain services; exempting from the tax the sale of
5 certain services by a political subdivision of the State; providing for a delayed
6 effective date; and generally relating to the sales and use taxation of certain
7 services.

8 BY repealing and reenacting, with amendments,
9 Article – Tax – General
10 Section 11–101(m)
11 Annotated Code of Maryland
12 (2010 Replacement Volume and 2011 Supplement)

13 BY adding to
14 Article – Tax – General
15 Section 11–232
16 Annotated Code of Maryland
17 (2010 Replacement Volume and 2011 Supplement)

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

20 **Article – Tax – General**

21 11–101.

22 (m) “Taxable service” means:

23 (1) fabrication, printing, or production of tangible personal property by
24 special order;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (2) commercial cleaning or laundering of textiles for a buyer who is
2 engaged in a business that requires the recurring service of commercial cleaning or
3 laundering of the textiles;
- 4 (3) cleaning of a commercial or industrial building;
- 5 (4) cellular telephone or other mobile telecommunications service;
- 6 (5) “900”, “976”, “915”, and other “900”-type telecommunications
7 service;
- 8 (6) custom calling service provided in connection with basic telephone
9 service;
- 10 (7) a telephone answering service;
- 11 (8) **CABLE TELEVISION, INCLUDING** pay per view television service;
- 12 (9) credit reporting;
- 13 (10) a security service, including:
- 14 (i) a detective, guard, or armored car service; and
- 15 (ii) a security systems service;
- 16 (11) a transportation service for transmission, distribution, or delivery
17 of electricity or natural gas, if the sale or use of the electricity or natural gas is subject
18 to the sales and use tax; [or]
- 19 (12) a prepaid telephone calling arrangement;
- 20 **(13) A MOTOR VEHICLE MAINTENANCE OR REPAIR SERVICE,**
21 **INCLUDING:**
- 22 **(I) A MOTOR VEHICLE MAINTENANCE OR REPAIR SERVICE**
23 **CONTRACT OR EXTENDED WARRANTY CONTRACT;**
- 24 **(II) MOTOR VEHICLE WASHING AND WAXING SERVICES;**
- 25 **(III) ROAD SERVICE AND TOWING SERVICE; AND**
- 26 **(IV) MOTOR VEHICLE PAINTING, RUSTPROOFING, AND**
27 **UNDERCOATING;**

- 1 **(14) A PARKING FACILITY OR SERVICE;**
- 2 **(15) A BARBER OR BEAUTY SERVICE;**
- 3 **(16) A TANNING, MASSAGE, OR PHYSICAL FITNESS FACILITY OR**
4 **SERVICE;**
- 5 **(17) A DOCKING OR LANDING SERVICE;**
- 6 **(18) A SHOE REPAIR SERVICE;**
- 7 **(19) A TAX PREPARATION SERVICE;**
- 8 **(20) A SAUNA OR STEAM BATH FACILITY OR SERVICE;**
- 9 **(21) A WEIGHING MACHINE SERVICE;**
- 10 **(22) A PUBLIC LOCKER RENTAL OR SERVICE;**
- 11 **(23) A DATING OR AN ESCORT SERVICE;**
- 12 **(24) A DIETING SERVICE;**
- 13 **(25) A DIRECT MAIL ADVERTISING SERVICE;**
- 14 **(26) A COMMERCIAL PHOTOGRAPHIC OR AN ART SERVICE;**
- 15 **(27) A STENOGRAPHIC SERVICE;**
- 16 **(28) AN EXTERMINATING SERVICE;**
- 17 **(29) A PERSONNEL SUPPLY SERVICE, INCLUDING:**
- 18 **(I) AN EMPLOYMENT AGENCY SERVICE; OR**
- 19 **(II) A TEMPORARY HELP SERVICE;**
- 20 **(30) A MANAGEMENT, A MANAGEMENT CONSULTING, A PUBLIC**
21 **RELATIONS, OR ANY OTHER BUSINESS CONSULTING SERVICE;**
- 22 **(31) A REAL PROPERTY MANAGEMENT SERVICE;**
- 23 **(32) A TESTING LABORATORY SERVICE;**

- 1 **(33) A SIGN PAINTING SERVICE;**
2 **(34) AN INTERIOR DECORATING SERVICE;**
3 **(35) AN AUCTIONEERING SERVICE;**
4 **(36) A BUSINESS BROKERAGE SERVICE;**
5 **(37) A DRAFTING SERVICE;**
6 **(38) AN INDEPENDENT LECTURE BUREAU SERVICE;**
7 **(39) A PRINTING BROKERAGE SERVICE;**
8 **(40) A NOTARY PUBLIC SERVICE; OR**
9 **(41) A SHOP WINDOW DECORATING SERVICE.**

10 **11-232.**

11 **THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF A PARKING**
12 **FACILITY OR SERVICE BY A POLITICAL SUBDIVISION OF THE STATE.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
14 January 1, 2013.