

Chapter 572

(House Bill 1213)

AN ACT concerning

Sales and Use Tax – Alcoholic Beverages – ~~Tax Rates~~ Supplementary Appropriation

FOR the purpose of altering ~~State tax rates for alcoholic beverages sold in Maryland, and generally relating to the alcoholic beverage tax~~ the rate of the sales and use tax imposed on the sale of an alcoholic beverage; making this Act a supplementary appropriation to fund certain public school construction projects and related capital improvements; and generally relating to the sales and use tax imposed on the sale of an alcoholic beverage and a supplementary appropriation.

~~BY repealing and reenacting, with amendments,~~

~~Article – Tax – General
Section 5–105
Annotated Code of Maryland
(2010 Replacement Volume)~~

BY adding to

Article – Tax – General
Section 11–104(g)
Annotated Code of Maryland
(2010 Replacement Volume)

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

Article – Tax – General

~~5–105.~~

~~(a) Except as provided in subsection (d) of this section, the alcoholic beverage tax rate for distilled spirits is:~~

~~(1) [~~\$1.50~~] ~~\$10.03~~ for each gallon or [~~39.63 cents~~] ~~\$2.65~~ for each liter;~~
and

~~(2) if distilled spirits contain a percentage of alcohol greater than 100 proof, an additional tax, for each 1 proof over 100 proof, of [~~1.5~~] ~~10.03~~ cents for each gallon or [~~0.3963~~] ~~2.65~~ cents for each liter.~~

~~(b) Except as provided in subsection (d) of this section, the alcoholic beverage tax rate for wine is [40 cents] \$2.96 for each gallon or [10.57] 78.22 cents for each liter.~~

~~(c) Except as provided in subsection (d) of this section, the alcoholic beverage tax rate on beer is [9 cents] \$1.16 for each gallon or [2.3778] 30.6472 cents for each liter.~~

~~(d) The tax imposed under § 5-102(b) of this subtitle shall equal the amount that the discriminating jurisdiction charges a Maryland licensee or permit holder.~~

11-104.

(G) THE SALES AND USE TAX RATE FOR THE SALE OF AN ALCOHOLIC BEVERAGE, AS DEFINED IN § 5-101 OF THIS ARTICLE, IS 9% OF THE TAXABLE PRICE OF THE ALCOHOLIC BEVERAGE.

SECTION 2. AND BE IT FURTHER ENACTED, That for fiscal year 2012 only and from only those additional revenues resulting from this Act that are credited to the General Fund for fiscal year 2012, and from no other funds, and subject to the provisions of law relating to budgetary procedure to the extent applicable, the amount specified below, or as much thereof as required to accomplish the designated purpose, is hereby appropriated and authorized to be disbursed from as much of those additional revenues as are to be received by the State:

D06E02.02 Public School Capital Appropriation

In addition to the amount appropriated in the budget bill for fiscal year 2012, to supplement the appropriation for fiscal year 2012, the following amount to be used to fund public school construction projects:

General Fund Appropriation..... \$47,500,000

SECTION 3. AND BE IT FURTHER ENACTED, That:

(a) Notwithstanding §§ 5-301 and 5-302 of the Education Article or any other provision of law, the funds appropriated in Section 2 of this Act shall be allocated to the following counties or regions as provided below. The Board of Public Works shall approve the individual projects, which may or may not be eligible for funding under the Public School Construction Program provided that the proposed project is a public school improvement that meets a school or community need:

Anne Arundel County..... \$5,000,000

Baltimore City.....\$9,000,000

<u>Baltimore County.....</u>	<u>\$7,000,000</u>
<u>Eastern Shore (Caroline, Dorchester, Kent, Queen Anne's, Somerset, Talbot, Wicomico, and Worcester Counties).....</u>	<u>\$1,250,000</u>
<u>Howard County.....</u>	<u>\$4,000,000</u>
<u>Montgomery County.....</u>	<u>\$9,000,000</u>
<u>Northeast Maryland (Cecil and Harford Counties).....</u>	<u>\$1,250,000</u>
<u>Prince George's County.....</u>	<u>\$9,000,000</u>
<u>Southern Maryland (Calvert, Charles, and St. Mary's Counties).....</u>	<u>\$1,250,000</u>
<u>Western Maryland (Allegany, Carroll, Garrett, Frederick, and Washington Counties).....</u>	<u>\$750,000</u>

(b) In approving funding for projects, the Board of Public Works shall consider:

- (1) requests from the local jurisdictions; and
- (2) projects that:
 - (i) benefit older school buildings;
 - (ii) benefit schools with high proportions of children eligible for free and reduced price meals;
 - (iii) can be completed within one year;
 - (iv) eliminate or reduce the use of relocatable classrooms;
 - (v) are designated as A or B by the Interagency Committee on Public School Construction and are not fully funded in the fiscal 2012 Capital Improvement Program approved by the Board of Public Works; or
 - (vi) reduce energy consumption or incorporate high performance "green" building principles.

SECTION ~~2~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2011.

Approved by the Governor, May 19, 2011.