

**SB0784/143625/1**

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 784  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, strike beginning with “imposing” in line 3 down through “ammunition” in line 6 and substitute “altering the sales and use tax rate imposed on firearms, firearm accessories, and ammunition; providing that the sales and use tax does not apply to the sale of certain firearm accessories and ammunition; and generally relating to the sales and use tax on firearms, firearm accessories, and ammunition”.

On page 2, strike in their entirety lines 2 through 6, inclusive; strike beginning with “1-101(h-1)” in line 9 down through “13-1001(h)” in line 13 and substitute “2-1302.3, 11-101(a-4), (c-6), and (c-7), 11-104(l), and 11-246”; in line 18, strike “2-102(a), 13-201(3)(xvi) and (xvii), 13-508(a) and (c), 13-509, and 13-1002” and substitute “2-1303 and 11-101(a-4) and (c-6) through (c-8)”; and after line 20, insert:

“BY repealing and reenacting, without amendments,

Article – Tax – General

Section 11-101(a)

Annotated Code of Maryland

(2022 Replacement Volume and 2023 Supplement)”.

AMENDMENT NO. 2

On page 2, in line 29, strike “**§ 2-4B-02**” and substitute “**§ 2-1302.3**”.

On page 3, in line 3, strike “**§ 2-4B-02**” and substitute “**§ 2-1302.3**”; and after line 19, insert:

**2-1302.3.**

(A) AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 2-1301 THROUGH 2-1302.2 OF THIS SUBTITLE, OF THE SALES AND USE TAX COLLECTED ON THE SALE OF A FIREARM, FIREARM ACCESSORY, AND AMMUNITION UNDER § 11-104(L) OF THIS ARTICLE, THE COMPTROLLER SHALL DISTRIBUTE THE REVENUE ATTRIBUTABLE TO A SALES AND USE TAX RATE IN EXCESS OF 6% AS FOLLOWS:

(1) 44% TO THE MARYLAND TRAUMA PHYSICIAN SERVICES FUND ESTABLISHED UNDER § 19-130 OF THE HEALTH-GENERAL ARTICLE;

(2) 29% TO THE R ADAMS COWLEY SHOCK TRAUMA CENTER AT THE UNIVERSITY OF MARYLAND MEDICAL CENTER;

(3) 23% TO THE VIOLENCE INTERVENTION AND PREVENTION PROGRAM FUND ESTABLISHED UNDER § 4-902 OF THE PUBLIC SAFETY ARTICLE;

(4) 2% TO THE SURVIVORS OF HOMICIDE VICTIMS GRANT PROGRAM WITHIN THE GOVERNOR'S OFFICE OF CRIME PREVENTION AND POLICY; AND

(5) 2% TO THE CENTER OF FIREARM VIOLENCE PREVENTION AND INTERVENTION WITHIN THE MARYLAND DEPARTMENT OF HEALTH.

(B) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE REVENUE DISTRIBUTED UNDER SUBSECTION (A) OF THIS SECTION SUPPLEMENT, AND NOT SUPPLANT, ANY OTHER FUNDING REQUIRED BY LAW.

**SB0784/143625/01 Budget and Taxation Committee**  
**Amendments to SB 784**  
**Page 3 of 6**

After making the distributions required under §§ 2–1301 through [2–1302.2] 2–1302.3 of this subtitle, the Comptroller shall pay:

(1) revenues from the hotel surcharge into the Dorchester County Economic Development Fund established under § 10–130 of the Economic Development Article;

(2) to the Blueprint for Maryland’s Future Fund established under § 5–206 of the Education Article, the following percentage of the remaining sales and use tax revenues:

(i) for fiscal year 2023, 9.2%;

(ii) for fiscal year 2024, 11.0%;

(iii) for fiscal year 2025, 11.3%;

(iv) for fiscal year 2026, 11.7%; and

(v) for fiscal year 2027 and each fiscal year thereafter, 12.1%; and

(3) the remaining sales and use tax revenue into the General Fund of the State.

11–101.

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

**(A–4) “AMMUNITION” HAS THE MEANING STATED IN § 5–133.1 OF THE PUBLIC SAFETY ARTICLE.**

(Over)

**SB0784/143625/01 Budget and Taxation Committee  
Amendments to SB 784  
Page 4 of 6**

**[(a-4)] (A-5)** “Booking transaction” means any transaction in which there is a retail sale of an accommodation.

**(C-6) “FIREARM” HAS THE MEANING STATED IN § 5-101 OF THE PUBLIC SAFETY ARTICLE.**

**(C-7) “FIREARM ACCESSORY” MEANS:**

- (1) A MAGAZINE OR MAGAZINE LOADER;**
- (2) A FIREARM SCOPE OR OPTIC;**
- (3) A STOCK;**
- (4) A GRIP;**
- (5) A HANDGUARD; OR**
- (6) BODY ARMOR.**

**[(c-6)] (C-8)** (1) “Marketplace facilitator” means a person that:

- (i) facilitates a retail sale by a marketplace seller by listing or advertising for sale in a marketplace tangible personal property, digital code, or a digital product; and
- (ii) regardless of whether the person receives compensation or other consideration in exchange for the person’s services, directly or indirectly through agreements with third parties, collects payment from a buyer and transmits the payment to the marketplace seller.

**SB0784/143625/01 Budget and Taxation Committee**  
**Amendments to SB 784**  
**Page 5 of 6**

(2) “Marketplace facilitator” does not include:

(i) a platform or forum that exclusively provides Internet advertising services, including listing products for sale, if the platform or forum does not also engage, directly or indirectly, in collecting payment from a buyer and transmitting that payment to the vendor;

(ii) a payment processor business appointed by a vendor to handle payment transactions from clients, including credit cards and debit cards, whose only activity with respect to marketplace sales is to handle transactions between two parties; or

(iii) a delivery service company that delivers tangible personal property on behalf of a marketplace seller that is engaged in the business of a retail vendor and holds a license issued under Subtitle 7 of this title.

**[(c-7)] (C-9)** “Marketplace seller” means a person that makes a retail sale or sale for use through a physical or electronic marketplace operated by a marketplace facilitator.

**[(c-8)] (C-10)** “Permanent” means perpetual or for an indefinite or unspecified length of time.

11-104.

**(L) THE SALES AND USE TAX RATE FOR A FIREARM, A FIREARM ACCESSORY, AND AMMUNITION IS 11%.**

**11-246.**

(Over)

(A) IN THIS SECTION, "LAW ENFORCEMENT OFFICER" MEANS AN INDIVIDUAL WHO IN AN OFFICIAL CAPACITY IS AUTHORIZED BY STATE OR FEDERAL LAW TO MAKE ARRESTS AND REQUIRED, AS PART OF THE INDIVIDUAL'S EMPLOYMENT, TO CARRY A FIREARM.

(B) (1) THE SALES AND USE TAX DOES NOT APPLY TO THE SALE OF A FIREARM ACCESSORY OR AMMUNITION TO A LAW ENFORCEMENT OFFICER, RETIRED LAW ENFORCEMENT OFFICER, OR A MEMBER OF THE ARMED FORCES OF THE UNITED STATES OR THE NATIONAL GUARD.

(2) THE EXEMPTION UNDER PARAGRAPH (1) OF THIS SUBSECTION APPLIES ONLY TO THE PURCHASE OF A FIREARM ACCESSORY OR AMMUNITION THAT IS RELATED TO:

(I) THE INDIVIDUAL'S ROLE AS A LAW ENFORCEMENT OFFICER OR MEMBER OF THE ARMED FORCES OF THE UNITED STATES OR THE NATIONAL GUARD; OR

(II) TRAINING BY A RETIRED LAW ENFORCEMENT OFFICER."

On pages 3 through 10, strike in their entirety the lines beginning with line 20 on page 3 through line 26 on page 10, inclusive.