

HOUSE BILL 660

C2, Q7, A1

3lr1011
CF 3lr2946

By: **Delegate Davis**

Introduced and read first time: February 1, 2013

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Streamlined Tax Administration Act of 2013**

3 FOR the purpose of transferring certain powers and duties of the Comptroller to the
4 Secretary of Labor, Licensing, and Regulation including the regulation and
5 taxation of alcoholic beverages, cigarettes and other tobacco products, motor
6 carriers, and motor fuel and the regulation of certain transient vendors;
7 creating a Division of Business Regulation and Taxation in the Department of
8 Labor, Licensing, and Regulation; authorizing the Secretary to delegate certain
9 powers and duties; creating a Business Regulation and Taxation Fund;
10 requiring the Secretary to pay the Comptroller certain license fees; altering the
11 distribution of certain license fees and certain proceeds from the alcoholic
12 beverages tax, motor carrier tax, motor fuel tax, and tobacco tax; authorizing
13 the Secretary to make certain disclosures relating to taxpayer identity under
14 certain circumstances; providing for the transfer of certain functions, powers,
15 duties, equipment, assets, liabilities, employees, and appropriations; providing
16 for certain rights of employees who are transferred under this Act; providing for
17 the continued validity of certain transactions and certain rights, duties, or
18 interests following from certain transactions; providing for the continuance of
19 certain laws, rules and regulations, other administrative acts and related
20 matters, administrative and judicial responsibilities, rights to sue and be sued
21 and certain other duties and responsibilities; requiring the publisher of the
22 Annotated Code of Maryland to make certain corrections to the Code under
23 certain circumstances; making certain stylistic and conforming changes;
24 defining certain terms; altering certain definitions; and generally relating to the
25 transfer of certain powers and duties of the Comptroller to the Secretary of
26 Labor, Licensing, and Regulation.

27 BY repealing and reenacting, with amendments,

28 Article 2B – Alcoholic Beverages

29 Section 1–101(a)(2), 1–102(a)(16) and (24) through (28), 1–201(a)(5), (d), and
30 (f)(3) through (7), 2–101(a), (b)(1), (5), and (6)(i), (d), (f), (h)(2), (i)(1), (k),

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (m)(1) and (9), (o)(3), (10), (11), (12), and (14), (p)(1) and (4), (q), (s)(6) and
 2 (8), (t)(2)(iii) and (6), (u)(1), (2), (3), (5), (7)(ii)2., (8)(ii)2., (9)(ii)2., (10)(ii)2.,
 3 and (11)(ii)2., (v), (w)(1) and (4), (x)(3) and (5)(ii), and (y)(1), 2–202(f),
 4 2–203(e), 2–205(b)(9), (d)(1) and (6)(ii), and (f), 2–206(c)(1) and (7),
 5 2–207(a)(1), (f), (i)(2), and (j), 2–208(b)(1), (h), and (j)(2), 2–209(c)(1) and
 6 (5)(ii), (d)(2), and (e)(1) and (2), 2–301(b)(6), 2–402(a), 5–501(a) and (d),
 7 6–501(b) and (c), 6–502(b) and (c), 6–503(b) and (c), 6–701(b), (g)(2), (j)(1),
 8 and (m), 6–703.2(h)(2), 7–101(a)(1) and (2), (f), and (n)(2), 7.5–102,
 9 7.5–104(a)(1) and (2) and (b), 7.5–107(a)(2), (4), (6), and (7), 7.5–108(a)(2)
 10 and (3) and (b), 7.5–110(e) and (f), 7.5–111(a), 7.5–112, 8–301(e)(1)(i)2.,
 11 8–302(e)(1)(i)2., 8–306.1(e)(2)(i), 8–307(e)(1)(i)2., 8–308(e)(1)(i)2.,
 12 8–308.3(e)(1)(ii), 8–310.1(e)(1), 8–310.2(e)(2)(ii), 8–311(e)(1)(i)2.,
 13 8–312.1(c)(1)(ii), 8–313.2(e)(1)(ii), 8–314(e)(1)(i)2., 8–806(c)(2),
 14 9–101(a)(5)(i), (b), and (c)(1)(i), 9–104, 9–108(f)(3) and (g), 9–207(f),
 15 10–101(a), 10–102, 10–103(b)(17)(i), 10–104(b), 10–201, 10–202(i–1)(2)
 16 and (4), 10–204(a)(3), (c)(2), and (d), 10–206(a), 10–301(a)(2)(i) and
 17 (f–1)(2), 10–401(a)(1) and (3)(x), 10–402(a), (d), and (e), 10–403(a)(1) and
 18 (2)(i), 10–404(a), 10–504(a), (d)(1), and (e)(1), 10–506(a) and (b), 10–507,
 19 12–102(a) and (c)(2), (3), and (4), 12–103(b), (c), (c–1), and (e),
 20 12–104(e)(5)(ii) and (6)(i), 12–107(b)(6)(iv), 12–112(c)(5)(i)2., (8), and (9),
 21 12–113(a), 13–101(a)(1), (e)(1) and (5)(ii), and (g), 14–201, 14–202(a) and
 22 (b), 14–203, 14–204(a), 15–109(d)(3), 15–112(c)(3)(ii), 15–206(a),
 23 16–301(a), 16–302, 16–303, 16–401, 16–404, 16–405, 16–407, 16–407.1,
 24 16–410(a)(2), 16–506, and 21–106(b)(1)

25 Annotated Code of Maryland
 26 (2011 Replacement Volume and 2012 Supplement)

27 BY repealing and reenacting, without amendments,
 28 Article 2B – Alcoholic Beverages
 29 Section 1–102(a)(1) and (5)
 30 Annotated Code of Maryland
 31 (2011 Replacement Volume and 2012 Supplement)

32 BY adding to
 33 Article 2B – Alcoholic Beverages
 34 Section 1–102(a)(24)
 35 Annotated Code of Maryland
 36 (2011 Replacement Volume and 2012 Supplement)

37 BY repealing and reenacting, without amendments,
 38 Article – Business Regulation
 39 Section 2–101 to be under the new subtitle designation “Subtitle 1. General
 40 Provisions”; 10–101(a), 16–201(a), and 16.5–101(a)
 41 Annotated Code of Maryland
 42 (2010 Replacement Volume and 2012 Supplement)

43 BY adding to

1 Article – Business Regulation
2 Section 2–201 through 2–204 to be under the new subtitle “Subtitle 2. Division
3 of Business Regulation and Taxation”
4 Annotated Code of Maryland
5 (2010 Replacement Volume and 2012 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – Business Regulation
8 Section 10–101(d)(1), 10–201, 10–202, 10–203, 10–204, 10–205(a), 10–302(b),
9 10–303(a), (c), (d), and (h), 10–304, 10–304.1(c) and (d), 10–305, 10–306,
10 10–307, 10–308(a), 10–309(a) and (c), 10–310, 10–311(b)(2) and (d),
11 10–314, 10–315(d), 10–316, 10–317, 10–318, 10–323.1(b) through (d),
12 10–323.2(f), 10–401, 10–403, 10–404, 10–405, 10–406(a), 10–408(2),
13 10–410, 10–503(d), 16–102, 16–201(b), (c), (e) through (h), 16–204(a),
14 (b)(2), (c) through (f), and (h)(1), 16–205(a), 16–206(a)(4) and (f)(6) and
15 (7), 16–208(a)(2), (b), and (c)(1), 16–209(a) and (b)(2), 16–210, 16–211,
16 16–212, 16–213, 16–216(a), 16–218(c), 16–219(b), 16–220, 16–221(a),
17 16–222(c), 16–223(c)(1), 16–306, 16–307, 16–3B–01(a), 16–602(a), (c)(2),
18 (g), (i), and (k)(2)(i), 16–602.1(c)(1)(i) and (2), 16–603(a)(1) and (c),
19 16–604(d)(1), (2), and (5), 16–605(c), 16–607, 16–609(a)(2), 16.5–101(c),
20 (d), (f), (g), and (p), 16.5–102, 16.5–203(a), (b)(3), and (c) through (e),
21 16.5–204(a), 16.5–205(a)(5) and (d)(5), 16.5–207(a)(2), (b), and (c)(1),
22 16.5–208, 16.5–209, 16.5–210(a) through (c), and (e)(1), (4), and (5),
23 16.5–211, 16.5–213(a)(1), 16.5–214(b) and (c), 16.5–215(b), 16.5–216(c),
24 16.5–217(c)(1)(i), 17–20A–02, 17–20A–03, and 17–20A–04(a) and (b)
25 Annotated Code of Maryland
26 (2010 Replacement Volume and 2012 Supplement)

27 BY repealing and reenacting, with amendments,
28 Article – Courts and Judicial Proceedings
29 Section 5–523
30 Annotated Code of Maryland
31 (2006 Replacement Volume and 2012 Supplement)

32 BY repealing and reenacting, with amendments,
33 Article – Criminal Procedure
34 Section 2–101(c)(13)
35 Annotated Code of Maryland
36 (2008 Replacement Volume and 2012 Supplement)

37 BY repealing and reenacting, with amendments,
38 Article – Health – General
39 Section 18–213(a)(3)(ix) and 18–213.2(a)(8)(ix)
40 Annotated Code of Maryland
41 (2009 Replacement Volume and 2012 Supplement)

42 BY repealing and reenacting, with amendments,

1 Article – Public Safety
 2 Section 3–101(e)(1)(ii)12.
 3 Annotated Code of Maryland
 4 (2011 Replacement Volume and 2012 Supplement)

5 BY repealing and reenacting, with amendments,
 6 Article – State Personnel and Pensions
 7 Section 8–301
 8 Annotated Code of Maryland
 9 (2009 Replacement Volume and 2012 Supplement)

10 BY repealing and reenacting, without amendments,
 11 Article – Tax – General
 12 Section 1–101(a) and (e), 5–101(a), 9–301(a), 12–101(a), and 13–101(a)
 13 Annotated Code of Maryland
 14 (2010 Replacement Volume and 2012 Supplement)

15 BY adding to
 16 Article – Tax – General
 17 Section 1–101(t–1), 2–102.1, 2–103.1, 2–104.1, 2–105.1, and 13–509.1
 18 Annotated Code of Maryland
 19 (2010 Replacement Volume and 2012 Supplement)

20 BY repealing and reenacting, with amendments,
 21 Article – Tax – General
 22 Section 2–102, 2–105, 2–107, 2–108, 2–301, 2–302, 2–303, 2–1001, 2–1002,
 23 2–1101, 2–1102, 2–1601, 2–1602, 5–101(m), 5–102(b) and (c), 5–104(b)(2)
 24 and (c)(2), 5–201, 5–301, 5–303(a), (c), and (d), 9–205(a) and (b), 9–207,
 25 9–208(a), 9–209, 9–213, 9–214(b), 9–215, 9–219(a)(1), (b), and (c)(1) and
 26 (2), 9–220(a), (c) and (d), 9–221, 9–301(j), 9–303.1(e)(3), 9–304, 9–308(a),
 27 (b), (c), and (e)(1), 9–309(a)(2)(iii), (b), and (c), 9–310(a)(1), 9–318, 9–320,
 28 9–321, 9–322(c)(1)(i) and (f)(1)(i), 9–326(a), 9–327, 9–328, 9–329, 9–330,
 29 9–331, 9–332, 9–333, 9–335, 9–336, 9–337, 12–101(g), 12–201, 12–202(a),
 30 12–203(b), 12–302(a) and (d), 12–303, 12–304(b)(1)(ii), 13–101(c), 13–104,
 31 13–203, 13–205, 13–206, 13–405, 13–406, 13–408, 13–412, 13–508,
 32 13–509, 13–701(b), 13–707(b) and (c), 13–710, 13–711, 13–825(b), (e), (f),
 33 (h), and (i), 13–826, 13–834, 13–835, 13–836, 13–837, 13–838, 13–839,
 34 13–840, 13–841, 13–901(e) and (h), and 13–905(d)
 35 Annotated Code of Maryland
 36 (2010 Replacement Volume and 2012 Supplement)

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

39 **Article 2B – Alcoholic Beverages**

40 1–101.

1 (a) (2) It is the legislative intent that that policy will be carried out in the
2 best public interest by empowering the [Comptroller of the Treasury] **SECRETARY OF**
3 **LABOR, LICENSING, AND REGULATION**, the various local boards of license
4 commissioners and liquor control boards, all enforcement officers and the judges of the
5 various courts of this State with sufficient authority to administer and enforce the
6 provisions of this article.

7 1–102.

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

9 (5) “Comptroller” means the Comptroller of the Treasury of the State.

10 (16) (i) “License issuing authority” means:

11 1. For a State license issued under this article, the
12 [State Comptroller] **SECRETARY**; and

13 2. For a local license issued under this article, the board
14 of license commissioners or other local agency expressly authorized by this article to
15 issue the license.

16 (ii) “License issuing authority” does not include a clerk of a
17 circuit court.

18 **(24) “SECRETARY” MEANS THE SECRETARY OF LABOR,**
19 **LICENSING, AND REGULATION.**

20 **[(24)] (25)** “Sparkling wine” means champagne or any artificially
21 carbonated wine.

22 **[(25)] (26)** “This article” includes provisions in the Tax – General
23 Article derived from this article.

24 **[(26)] (27)** In Baltimore City, “total daily receipts” does not include
25 sales of novelty items, income from vending machines, or other receipts not resulting
26 from the sale of food or beverages.

27 **[(27)] (28)** (i) “Wholesaler” means:

28 1. A person who purchases or imports any alcoholic
29 beverage for sale to wholesale or retail dealers only; or

30 2. A limited winery that sells wine to retail dealers.

1 (ii) "Wholesaler" includes a county liquor control board and a
2 county wholesale dispensary.

3 [(28)] (29) "Wine" means any fermented beverage, including light
4 wines, and wines the alcoholic content of which has been fortified by the addition of
5 alcohol, spirits or other ingredients.

6 1-201.

7 (a) (5) Any vehicle, vessel or aircraft used with the express or implied
8 knowledge, consent or permission of its lawful owner for the purpose of violating any
9 of the provisions of this article relating to the unlawful manufacture of alcoholic
10 beverages or which is used to transport, store or secrete illicit alcoholic beverages shall
11 be deemed contraband and may be confiscated by the [Comptroller] SECRETARY or
12 his duly authorized enforcement officers and may be forfeited as provided for in this
13 article.

14 (d) Warehouse receipts covering alcoholic beverages on storage in public
15 (including government controlled) warehouses in this State may be purchased or sold
16 without a license or permit, but withdrawals or deliveries of those beverages may not
17 be made in this State except to licensed manufacturers and wholesalers. The
18 [Comptroller] SECRETARY may prescribe regulations covering warehouse receipt
19 transactions.

20 (f) (3) The [Comptroller] SECRETARY shall notify the registered owner
21 where possible and shall publish notice in a newspaper of general circulation in the
22 county, or Baltimore City, where seized, of any vehicle, vessel or aircraft confiscated
23 under this article. The notice shall inform interested persons of the seizure and right
24 to file a claim protesting the confiscation of the vehicle, vessel or aircraft.

25 (4) Any lawful lienholder, or other person showing a legal right, title
26 or interest in confiscated property not destroyed as provided in this section, within 30
27 days of confiscation or, if the confiscated property is a vehicle, vessel or aircraft, within
28 30 days of publication of notice, may file a claim protesting the seizure with the
29 [Comptroller] SECRETARY. When a claim and protest is filed the circuit court for the
30 county in which the property was confiscated shall proceed in rem to hear and
31 determine the question of forfeiture.

32 (5) If the court determines any property is subject to forfeiture it shall
33 also determine whether any lawful lienholder who has filed a timely claim and protest
34 had knowledge of the intended unlawful use. If the court finds that knowledge then
35 the lienholder's right, title and interest to the property shall likewise be deemed
36 forfeited. If the court does not find that knowledge and the property is otherwise
37 subject to forfeiture, it shall be forfeited and the [Comptroller] SECRETARY, as the
38 [Comptroller] SECRETARY deems in the best interest of the State, may pay the

1 outstanding indebtedness secured by the lawful lien and keep the property or deliver
2 the property to the lienholder.

3 (6) Any property confiscated and forfeited under this article or the
4 provisions of the Tax – General Article that relate to the alcoholic beverage tax shall
5 become the property of the respective county or City of Baltimore in which they were
6 confiscated, except that property confiscated by officers of this State shall become the
7 property of this State. The [Comptroller of the Treasury] **SECRETARY**, the county
8 commissioners or county councils of the respective counties, or the Mayor of Baltimore
9 City, as the case may be, as they deem in the best public interest, shall retain for
10 official use, sell, or otherwise dispose of the forfeited property. However, any lawfully
11 manufactured alcoholic beverages forfeited to a county in which there is a liquor
12 control board shall become the property of the liquor control board for that county and
13 shall be sold by the county dispensaries in those counties. The proceeds from the sales
14 shall be treated in the same way as the proceeds from ordinary sales made by the
15 dispensaries. Illicit alcoholic beverages may not be returned or given to any person or
16 otherwise disposed of except by destruction.

17 (7) An officer confiscating any unlicensed distillery or unlawful
18 distillery materials, equipment or devices under circumstances which render it
19 impractical or impossible to move them to a safe place of custody and storage, or
20 confiscating any illicit alcoholic beverages, except that seized for evidence or forfeiture,
21 shall forthwith destroy them only insofar as is necessary to render them unfit for
22 further unlawful use and shall report the confiscation and destruction to the [Alcohol
23 and Tobacco Tax Bureau of the Comptroller of the Treasury of Maryland]
24 **SECRETARY**.

25 2–101.

26 (a) The [Office of the Comptroller] **SECRETARY** shall provide application
27 forms for the permits listed in this section and applicants shall make application to
28 the [Office of the Comptroller] **SECRETARY**. The procedure in issuing permits, the
29 purchase of alcoholic beverages, and the exercise of the privileges granted under the
30 various permits shall be subject to regulations promulgated by the [Office of the
31 Comptroller] **SECRETARY**. The [Office of the Comptroller] **SECRETARY** may cancel,
32 restrict, suspend, or revoke any permit.

33 (b) (1) (i) The [Office of the Comptroller] **SECRETARY** shall collect a
34 fee for the issuance or renewal of the following permits:

35 1. \$50 for a solicitor's permit, an individual storage
36 permit, a nonresident winery permit, or a commercial nonbeverage permit;

37 2. \$75 for a public storage permit, a public
38 transportation permit, or an import and export permit;

1 3. \$200 for a public storage and transportation permit, a
2 nonresident dealer's permit, a resident dealer's permit, or a bulk transfer permit;

3 4. \$400 for a family beer and wine facility permit;

4 5. \$200 for issuance or renewal of a direct wine shipper's
5 permit; and

6 6. \$100 for a common carrier permit.

7 (ii) The [Office of the Comptroller] **SECRETARY** shall issue a
8 nonbeverage permit without the payment of any fee for an eleemosynary or a
9 fuel-alcohol permittee.

10 (5) A bulk transfer permit shall cover only a specific transaction and
11 shall expire 10 days from the date of its issue. If the time restriction of this permit
12 would be an undue burden, the [Office of the Comptroller] **SECRETARY** may grant a
13 reasonable extension of time.

14 (6) (i) The [Office of the Comptroller] **SECRETARY** shall prescribe
15 a means of identification for each vehicle authorized under an individual
16 transportation permit or a transportation or public storage and transportation permit.
17 The identification shall be kept in or on the vehicle at all times when alcoholic
18 beverages are being transported.

19 (d) The holder of a change of domicile permit may transport into this State
20 the holder's private stock of alcoholic beverages, for personal consumption only, when
21 the permit holder is changing his domicile into this State, provided the taxes levied by
22 § 5-102 of the Tax – General Article have been paid to the [Office of the Comptroller]
23 **SECRETARY**.

24 (f) A person whose license has expired or otherwise has been discontinued,
25 within 60 days subsequent to the last day the license was effective, may apply to the
26 [Comptroller] **SECRETARY** for a permit to authorize transfer with or without
27 consideration whether by sale, gift, inheritance, assignment or otherwise of the stock
28 of alcoholic beverages on hand as of that day. The permit authorizes the transfer only
29 to a license holder, which shall be consummated within the period covered by the
30 permit.

31 (h) (2) In Anne Arundel County all retailers shall have written approval
32 from the Board of License Commissioners for the county before making application
33 with the [Office of the Comptroller] **SECRETARY** for the permit.

34 (i) (1) A nonresident dealer's permit, for the purpose of selling beer, wine,
35 or distilled spirits to Maryland licensees authorized to receive those beverages, may be
36 issued only to:

1 (i) A brewer, distiller, rectifier, bottler, manufacturer, vintner,
2 or winery;

3 (ii) A sales agent of one of those under subparagraph (i) of this
4 paragraph, provided proof of that agency is presented to the [Office of the
5 Comptroller] **SECRETARY**;

6 (iii) An importer of beer, wine, or distilled beverages produced
7 outside the United States who purchases directly from the brand owner or from a sales
8 agent of a brewer, distiller, rectifier, bottler, manufacturer, vintner, or winery, who is
9 authorized by the brand owner to sell in Maryland, and who has provided proof of this
10 sales agency relationship to the [Office of the Comptroller] **SECRETARY**; or

11 (iv) An American sales agent of an importer under
12 subparagraph (iii) of this paragraph, provided proof of that agency is presented to the
13 [Office of the Comptroller] **SECRETARY**.

14 (k) A solicitor's permit may be issued in the discretion of the [Office of the
15 Comptroller] **SECRETARY** and, if issued, shall grant a resident or nonresident holder
16 the privilege of promoting, selling, or offering for sale, beer, wines or distilled spirits to
17 manufacturers, wholesalers or retailers in this State. A permit holder may not contact
18 consumers, and if the person holding the permit is employed by a nonresident dealer
19 or resident dealer, the person holding the permit is not permitted to sell, promote or
20 offer for sale alcoholic beverages to retail dealers, except for the account of a Maryland
21 wholesaler or manufacturer who is a distributor for the products of the employer of the
22 nonresident person or resident person holding such a permit.

23 (m) (1) A national family beer and wine exhibition permit may be issued at
24 the discretion of the [Office of the Comptroller] **SECRETARY** to a bona fide national
25 family wine association, national family beer association, or national family beer and
26 wine association.

27 (9) (i) The permit holder shall file a report on forms provided by
28 the [Office of the Comptroller] **SECRETARY** of the number of gallons of
29 commercially-produced beer and wine received from nonlicensed suppliers, and pay
30 the tax provided by § 5-102 of the Tax – General Article within 30 days following the
31 close of the exhibition.

32 (ii) Instead of a bond, the [Office of the Comptroller]
33 **SECRETARY** may require prepayment of a satisfactory sum to cover the anticipated
34 tax.

35 (o) (3) The [Office of the Comptroller] **SECRETARY** may issue a 1-day
36 wine auction permit to a charitable organization.

1 (10) (i) Within 30 days from the close of the auction, the permit
2 holder shall file a report and pay all taxes that are due and owing on the wine that is
3 received for the auction.

4 (ii) The report shall be filed with the [Office of the Comptroller]
5 **SECRETARY** and shall include the total number of gallons of wine that was received
6 for the auction and the sources from which it was received.

7 (iii) The [Office of the Comptroller] **SECRETARY** shall provide
8 the forms for the report.

9 (11) The [Office of the Comptroller] **SECRETARY** may require that,
10 within 7 days from the date of the auction, the permit holder prepay a satisfactory
11 sum to cover the anticipated wine tax that is due and owing.

12 (12) (i) Wines that have been purchased at auction shall be
13 delivered to the purchaser at the event or from a licensed warehouse or retail premises
14 or other premises that is approved by the [Office of the Comptroller] **SECRETARY**.

15 (ii) All wines delivered are subject to the applicable State sales
16 taxes.

17 (14) The [Office of the Comptroller] **SECRETARY** may adopt
18 regulations to implement the provisions of this subsection.

19 (p) (1) The [Office of the Comptroller] **SECRETARY** may issue a
20 nonresident storage permit to a holder of a nonresident dealer permit.

21 (4) The permit holder shall file a monthly storage and shipping
22 activities report with the [Office of the Comptroller] **SECRETARY** on forms and in the
23 manner prescribed by the [Office of the Comptroller] **SECRETARY**.

24 (q) An alcohol awareness program permit shall authorize the holder to
25 conduct an alcohol awareness program which has been certified by the [Comptroller]
26 **SECRETARY** under § 13–101 of this article.

27 (s) (6) The [Office of the Comptroller] **SECRETARY** may restrict a family
28 beer and wine facility permit to the production of either family produced beer or family
29 produced wine.

30 (8) The [Office of the Comptroller] **SECRETARY** may promulgate
31 regulations regarding limits on the quantities produced, requirements for record
32 keeping, and any other activities that relate to the operation of a family beer and wine
33 facility.

1 (t) (2) In order to qualify for a private bulk sale permit, an applicant
2 must:

3 (iii) File an inventory with the [Comptroller] **SECRETARY** of all
4 alcoholic beverages to be sold; and

5 (6) The [Comptroller] **SECRETARY** may promulgate regulations
6 regarding record keeping, reporting requirements, and any other activities related to a
7 private bulk sale permit.

8 (u) (1) The [Office of the Comptroller] **SECRETARY** may issue a winery
9 special event permit to a licensed Class 4 Maryland limited winery, provided that:

10 (i) Except as provided in paragraphs (6), (7), (8), (9), (10), (11),
11 (12), (13), and (14) of this subsection, no more than 12 winery special event permits
12 are issued to the Class 4 Maryland limited winery in any given calendar year;

13 (ii) The permit does not exceed 3 consecutive days; and

14 (iii) Except as provided in paragraphs (6), (7), (8), (9), (10), (11),
15 (12), (13), and (14) of this subsection, no more than three winery special event permits
16 are issued in any calendar year to any given limited winery for use in the same
17 political subdivision.

18 (2) In addition to the winery special event permit under paragraph (1)
19 of this subsection, the [Office of the Comptroller] **SECRETARY** may issue a winery
20 special event permit to a licensed Class 4 Maryland limited winery for use during the
21 entire length of the Montgomery County Agricultural Fair.

22 (3) The winery special event permit may only be issued for an event
23 which:

24 (ii) Is approved by the Department of Agriculture and the
25 [Office of the Comptroller] **SECRETARY**; and

26 (5) The winery special event permit application shall be filed with the
27 [Office of the Comptroller] **SECRETARY** not less than 15 days prior to any event.

28 (7) (ii) If a winery special event permit is issued under this
29 paragraph:

30 2. The farmers' market administrator or the
31 administrator's designee and the holder of the permit or the holder's designee shall be:

32 A. Certified by an alcohol awareness program approved
33 by the [Comptroller] **SECRETARY**; and

1 B. Present during the hours when wine may be sold.

2 (8) (ii) If a winery special event permit is issued under this
3 paragraph:

4 2. The farmers' market administrator or the
5 administrator's designee and the holder of the permit or the holder's designee shall be:

6 A. Certified by an alcohol awareness program approved
7 by the [Comptroller] **SECRETARY**; and

8 (9) (ii) If a winery special event permit is issued under this
9 paragraph:

10 2. The farmers' market administrator or the
11 administrator's designee and the holder of the permit or the holder's designee shall be:

12 A. Certified by an alcohol awareness program approved
13 by the [Comptroller] **SECRETARY**; and

14 (10) (ii) If a winery special event permit is issued under this
15 paragraph:

16 2. The farmers' market administrator or the
17 administrator's designee and the holder of the permit or the holder's designee shall be:

18 A. Certified by an alcohol awareness program approved
19 by the [Comptroller] **SECRETARY**; and

20 (11) (ii) If a winery special event permit is issued under this
21 paragraph:

22 2. The farmers' market administrator or the
23 administrator's designee and the holder of the permit or the holder's designee shall be:

24 A. Certified by an alcohol awareness program approved
25 by the [Comptroller] **SECRETARY**; and

26 (v) (1) The [Office of the Comptroller] **SECRETARY** may issue a
27 nonresident winery permit to a person that:

28 (i) Is licensed outside of the State to engage in the manufacture
29 of wine;

30 (ii) Produces not more than 27,500 gallons of its own wine
31 annually; and

1 (iii) Does not hold a nonresident dealer's permit.

2 (2) A holder of a nonresident winery permit may sell and deliver its
3 own wine from a location outside of the State to a retail licensee or permit holder in
4 the State authorized to acquire the wine.

5 (3) A nonresident winery permit holder shall comply with all of the
6 requirements of this article, the Tax – General Article, and the regulations of the
7 [Office of the Comptroller] **SECRETARY** that apply to a holder of a Class 6 limited
8 wine wholesaler's license.

9 (w) (1) Subject to paragraph (2) of this subsection, the [Comptroller]
10 **SECRETARY** may issue a resident dealer's permit to:

11 (i) An importer of beer, wine, or distilled spirits produced
12 outside the United States who purchases directly from the brand owner or from a sales
13 agent of a brewer, distiller, rectifier, bottler, manufacturer, vintner, or winery, who is
14 authorized by the brand owner to sell in the State, and who has provided proof of this
15 sales agency relationship to the [Comptroller] **SECRETARY**; or

16 (ii) An American sales agent of an importer under
17 subparagraph (i) of this paragraph, providing proof of that agency is presented to the
18 [Comptroller] **SECRETARY**.

19 (4) A resident dealer's permit authorizes the holder to sell alcoholic
20 beverages to a wholesaler licensed under this article in the State or to a person outside
21 of the State who the [Comptroller] **SECRETARY** authorizes to acquire the alcoholic
22 beverages.

23 (x) (3) The [Comptroller] **SECRETARY** may issue the permit to a holder
24 of a license:

25 (i) Other than a Class 4 limited winery license, that allows the
26 holder to sell alcoholic beverages to the public for consumption off the licensed
27 premises; and

28 (ii) That was issued by the local licensing board of the
29 jurisdiction in which the farmer's market will be held.

30 (5) (ii) The [Comptroller] **SECRETARY** may issue not more than
31 one permit for use at each farmer's market.

32 (y) (1) The [Office of the Comptroller] **SECRETARY** may issue a common
33 carrier permit to a person who meets the definition of a "common carrier" under §
34 7.5–101 of this article.

1 2-202.

2 (f) At least 14 days before holding a planned promotional event after 6 p.m.,
3 a license holder shall file a notice of the promotional event with the [Comptroller]
4 **SECRETARY** on the form that the [Comptroller] **SECRETARY** provides.

5 2-203.

6 (e) At least 14 days before holding a planned promotional event after 6 p.m.,
7 a license holder shall file a notice of the promotional event with the [Comptroller]
8 **SECRETARY** on the form that the [Comptroller] **SECRETARY** provides.

9 2-205.

10 (b) (9) At least 14 days before holding a planned promotional event after 6
11 p.m., a licensee shall file a notice of the promotional event with the [Comptroller]
12 **SECRETARY** on the form that the [Comptroller] **SECRETARY** provides.

13 (d) A licensee may:

14 (1) Store on its licensed premises, in a segregated area approved by
15 the [Comptroller] **SECRETARY**, the product of other Class 4 limited wineries to be
16 used at bona fide Maryland Wineries Association promotional activities, provided
17 records are maintained and reports filed as may be required by the [Comptroller]
18 **SECRETARY**;

19 (6) Produce wine and pomace brandy at a warehouse for which the
20 holder has been issued an individual storage permit, if:

21 (ii) The [Comptroller] **SECRETARY** has full access at all times
22 to the warehouse to enforce this article.

23 (f) If a licensee maintains the records and files the reports that the
24 [Comptroller] **SECRETARY** requires, the licensee may:

25 (1) In the State, conduct winemaking and packaging activities at
26 another federally bonded winery or limited winery; or

27 (2) Outside the State, conduct winemaking and packaging activities
28 other than fermentation, at another federally bonded winery.

29 2-206.

30 (c) (1) The [Office of the Comptroller] **SECRETARY** may issue a special
31 brewery promotional event permit to a holder of a Class 5 manufacturer's license.

1 (7) To obtain a permit, a person, at least 15 days before the event,
2 shall file with the [Office of the Comptroller] **SECRETARY** an application that the
3 [Office] **SECRETARY** provides.

4 2–207.

5 (a) A Class 6 pub–brewery license shall be issued:

6 (1) By the [State Comptroller] **SECRETARY**;

7 (f) Except for a license transferred to a new location, a Class 6 pub–brewery
8 license may be transferred under § 10–503 of this article if an application for transfer
9 is filed with the local licensing board and simultaneously filed with the [Office of the
10 Comptroller] **SECRETARY**.

11 (i) (2) Before the [Office of the Comptroller of this State] **SECRETARY**
12 may issue a pub–brewery license, it shall forward a copy of the application to the
13 Board of License Commissioners. The Board shall review the application, hold a public
14 hearing on the application, and recommend to the [Office] **SECRETARY** whether or
15 not to grant the license.

16 (j) For Talbot County, the [Office of the Comptroller of Maryland]
17 **SECRETARY** shall specify which local license is the equivalent of the Class B beer,
18 wine and liquor license specified in subsection (a)(2) of this section.

19 2–208.

20 (b) The license shall be issued:

21 (1) By the [State Comptroller] **SECRETARY**;

22 (h) For Talbot County, the [Office of the Comptroller of Maryland]
23 **SECRETARY** shall specify which local license is the equivalent of the Class B beer,
24 wine and liquor license specified in subsection (b)(3) of this section.

25 (j) (2) The [Comptroller] **SECRETARY** may not issue a Class 7
26 micro–brewery license for a premises on property that has been leased unless the
27 landlord of the property presents to the [Comptroller] **SECRETARY** a receipt or
28 certificate showing that there are no unpaid taxes due to the State, a county, or any
29 local government from the landlord or any entity in which the landlord has a direct or
30 indirect interest that:

31 (i) Is proprietary; or

1 (ii) Has been obtained by a loan, mortgage, or lien, or in any
2 other manner.

3 2–209.

4 (c) A licensee may:

5 (1) Store on its licensed farm, in a segregated area approved by the
6 [Comptroller] **SECRETARY**, beer produced at the licensed farm for sale and delivery to
7 a wholesaler licensed in the State or a person outside of the State authorized to
8 acquire the beer;

9 (5) Store beer at a warehouse for which the licensee has been issued
10 an individual storage permit, for sale and delivery to a wholesaler licensed in the State
11 or a person outside of the State authorized to acquire the beer, or shipment back to the
12 licensed farm, if:

13 (ii) The [Comptroller] **SECRETARY** has full access at all times
14 to the warehouse to enforce this article.

15 (d) (2) In a segregated area approved by the [Comptroller] **SECRETARY**
16 on the licensed farm, a licensee may store the products of other Maryland breweries
17 for the multibrewery activity.

18 (e) (1) The [Office of the Comptroller] **SECRETARY** may issue a special
19 brewery promotional event permit to a licensee.

20 (2) At least 15 days before holding a planned promotional event, the
21 licensee shall obtain a permit from the [Comptroller] **SECRETARY** by filing a notice of
22 the promotional event on the form that the [Comptroller] **SECRETARY** provides.

23 2–301.

24 (b) (6) Paragraph (5) of this subsection only applies if the wholesale
25 licensee's jurisdiction and authority to sell has been submitted to the [Comptroller]
26 **SECRETARY** by the brand owner.

27 2–402.

28 (a) In addition to any license fee otherwise required under this article:

29 (1) An applicant for initial issuance of a license issued by the
30 [Comptroller] **SECRETARY** under Subtitle 2 or 3 of Title 2 of this article shall pay to
31 the [Comptroller] **SECRETARY** a nonrefundable application fee of \$200; and

1 (2) An applicant for renewal of a license issued by the [Comptroller]
2 **SECRETARY** under Subtitle 2 or 3 of Title 2 of this article shall pay to the
3 [Comptroller] **SECRETARY** a renewal fee of \$30.

4 5-501.

5 (a) The [Comptroller] **SECRETARY** may issue a Class F beer and light wine
6 license.

7 (d) The fee shall be paid to the [Comptroller] **SECRETARY** for the use of the
8 State before the license is issued.

9 6-501.

10 (b) The annual license fee is \$150, which shall be paid to the [Office of the
11 Comptroller] **SECRETARY** before the license is issued.

12 (c) The license shall be issued by the [Office of the Comptroller]
13 **SECRETARY**, subject to the conditions and restrictions set forth in this section.

14 6-502.

15 (b) The annual license fee is \$200, which shall be paid to the [Office of the
16 Comptroller] **SECRETARY** before the license is issued.

17 (c) The license shall be issued by the [Office of the Comptroller]
18 **SECRETARY** and authorizes the owner or operator of any steam, diesel, or electric
19 railway or club, parlor, buffet, observation, sleeping or dining cars upon the lines of
20 any steam, diesel, or electric railway in this State, to keep for sale and to sell all
21 alcoholic beverages upon any of such cars for consumption upon such cars, and every
22 such license shall be good throughout the State.

23 6-503.

24 (b) The annual license fee is \$200, which shall be paid to the [Office of the
25 Comptroller] **SECRETARY** before the license is issued.

26 (c) The license shall be issued by the [Office of the Comptroller]
27 **SECRETARY** and authorizes the owner or operator of any airplanes or aircraft
28 operated upon regularly scheduled flights over any part of this State to keep for sale
29 and to sell all alcoholic beverages upon any of such airplanes or aircraft for
30 consumption thereon and every such license shall be good throughout the State.

31 6-701.

1 (b) The [State Comptroller] **SECRETARY** may issue a statewide caterer's
2 (SCAT) license to a person who:

3 (1) Is engaged in the business of catering;

4 (2) Meets all State and local requirements, and holds all requisite
5 licenses relating to the catering business conducted;

6 (3) Holds any catering license that may be required under this article
7 in the local political subdivision in which the person's principal office is located;

8 (4) (i) Holds an existing permanent retail alcoholic beverages
9 license, other than a Class C license; or

10 (ii) Does not hold an alcoholic beverages license but who has a
11 permanent office and storage facility for alcoholic beverages in the State; and

12 (5) Meets all other requirements under this section.

13 (g) (2) If a local board of license commissioners determines that sales
14 have been made unlawfully, the board shall report its findings to the [State
15 Comptroller] **SECRETARY**, who shall take the action that the [State Comptroller]
16 **SECRETARY** determines is appropriate.

17 (j) At each catered event at which alcoholic beverages products are served:

18 (1) A holder of a SCAT license shall have at least one individual
19 on-site who has been certified by an alcoholic awareness program that is licensed by
20 the [State Comptroller] **SECRETARY**; and

21 (m) The [State Comptroller] **SECRETARY** may adopt regulations to establish
22 reporting requirements and to carry out this section.

23 6-703.2.

24 (h) (2) During a catered event, a holder shall have at least one individual
25 on site who has been certified by an alcohol awareness program licensed by the [State
26 Comptroller] **SECRETARY**.

27 7-101.

28 (a) (1) On approval by the board of license commissioners for that
29 jurisdiction, if any, of a proper application, made on forms prescribed by the [State
30 Comptroller] **SECRETARY**, signed and sworn to, the license issuing authority may
31 grant the types of special licenses for the periods and at the fees specified in this
32 section.

1 (2) For an application for a statewide license, the [Comptroller]
2 **SECRETARY** may grant the license.

3 (f) When the move is necessitated by fire or other catastrophe, the holder of
4 a special license of any class may temporarily move the licensed premises from one
5 location to another while the premises are being restored. The holder may exercise the
6 privileges of the license for a period in the discretion of the [Comptroller] **SECRETARY**
7 or board of license commissioners, as the case may be, but not to exceed six months. A
8 fee may not be charged for this special license but the [Comptroller] **SECRETARY** or
9 board shall approve, as in the case of the original application, the new location to
10 which the license holder has temporarily moved.

11 (n) (2) The Board of License Commissioners may grant a special license of
12 any class, except for any license issued by the [Comptroller] **SECRETARY**, that
13 entitles the holder to exercise any of the privileges conferred by that class at an event
14 conducted by a not for profit club, society, association, or organization.

15 7.5–102.

16 A person shall be issued a direct wine shipper's permit by the [Office of the
17 Comptroller] **SECRETARY** as a direct wine shipper before the person may engage in
18 shipping wine directly to a consumer in the State.

19 7.5–104.

20 (a) An applicant for a direct wine shipper's permit shall:

21 (1) Submit to the [Office of the Comptroller] **SECRETARY** a completed
22 application on a form that the [Office of the Comptroller] **SECRETARY** provides;

23 (2) Provide to the [Office of the Comptroller] **SECRETARY** a copy of
24 the applicant's current alcoholic beverages license; and

25 (b) The [Office of the Comptroller] **SECRETARY** shall issue a direct wine
26 shipper's permit to each applicant who meets the requirements of this title for the
27 direct wine shipper's permit.

28 7.5–107.

29 (a) A direct wine shipper shall:

30 (2) Report quarterly to the [Office of the Comptroller] **SECRETARY**
31 the total amount of wine, by type, shipped in the State, the price charged, and the
32 name and address of each purchaser;

1 (4) Pay quarterly to the [Office of the Comptroller] **SECRETARY** all
2 sales taxes and excise taxes due on sales to consumers in the State and calculate the
3 taxes as if the sale were made in the State;

4 (6) Allow the [Office of the Comptroller] **SECRETARY** to perform an
5 audit of the direct wine shipper's records on request; and

6 (7) Consent to the jurisdiction of the [Office of the Comptroller]
7 **SECRETARY** or other State unit and the State courts concerning enforcement of this
8 section and any related law.

9 7.5–108.

10 (a) A direct wine shipper may renew its direct wine shipper's permit each
11 year if the direct wine shipper:

12 (2) Provides to the [Office of the Comptroller] **SECRETARY** a copy of
13 its current permit; and

14 (3) Pays to the [Office of the Comptroller] **SECRETARY** a renewal fee
15 of \$200.

16 (b) The [Office of the Comptroller] **SECRETARY** may deny a renewal
17 application of a direct wine shipper who fails to:

18 (1) File a tax return required under this title;

19 (2) Pay a fee or tax when due; or

20 (3) After receiving notice, comply with a provision of this article or a
21 regulation that the [Office of the Comptroller] **SECRETARY** adopts under this article.

22 7.5–110.

23 (e) At the time of initial application for a common carrier permit and on
24 request of the [Comptroller] **SECRETARY**, a common carrier shall submit to the
25 [Comptroller] **SECRETARY** information concerning the training of its drivers in
26 verifying the age of recipients of direct wine shipments under this title.

27 (f) At least once each year, in a manner acceptable to the [Comptroller]
28 **SECRETARY**, a holder of a common carrier permit shall verify that the shipper of wine
29 into the State under this title holds a valid direct wine shipper's permit.

30 7.5–111.

1 (a) A common carrier shall report quarterly to the [Office of the Comptroller]
2 **SECRETARY**:

3 (1) The date of each delivery of wine in the State; and

4 (2) The name and address of the direct wine shipper and the receiving
5 consumer of each delivery.

6 7.5–112.

7 The [Office of the Comptroller] **SECRETARY** may adopt regulations to carry out
8 this title.

9 8–301.

10 (e) A special festival licensee shall:

11 (1) Only display and sell:

12 (i) Wine that is:

13 2. Price filed in accordance with regulations adopted by
14 the [Comptroller] **SECRETARY**; and

15 8–302.

16 (e) A special festival licensee shall:

17 (1) Only display and sell:

18 (i) Wine that is:

19 2. Price filed in accordance with regulations adopted by
20 the [Comptroller] **SECRETARY**; and

21 8–306.1.

22 (e) (2) The holder of a special WF license shall display and sell wine that
23 is:

24 (i) Price filed in accordance with regulations adopted by the
25 [Comptroller] **SECRETARY**; and

26 8–307.

27 (e) A special festival licensee shall:

1 (1) Only display and sell:

2 (i) Wine that is:

3 2. Price filed in accordance with regulations adopted by
4 the [Comptroller] **SECRETARY**; and

5 8-308.

6 (e) A special festival licensee may:

7 (1) Only display and sell:

8 (i) Wine that is:

9 2. Price filed in accordance with regulations adopted by
10 the [Comptroller] **SECRETARY**; and

11 8-308.3.

12 (e) A wine festival licensee shall:

13 (1) Only display and sell wine that is:

14 (ii) Price filed in accordance with regulations adopted by the
15 [Comptroller] **SECRETARY**; and

16 8-310.1.

17 (e) (1) A festival organization, through contractors who hold a special
18 festival license issued under subsection (g) of this section, may display and sell wine
19 that is price filed in accordance with regulations adopted by the [State Comptroller]
20 **SECRETARY** and distributed in the State.

21 8-310.2.

22 (e) (2) The wine shall be:

23 (ii) Price filed in accordance with regulations that the
24 [Comptroller] **SECRETARY** adopts; and

25 8-311.

26 (e) A special festival licensee shall:

1 (1) Only display and sell:

2 (i) Wine that is:

3 2. Price filed in accordance with regulations adopted by
4 the [Comptroller] **SECRETARY**; and

5 8-312.1.

6 (c) A holder of a special WF license shall only display and sell wine:

7 (1) That is:

8 (ii) Price filed in accordance with regulations adopted by the
9 [Comptroller] **SECRETARY**; and

10 8-313.2.

11 (e) A holder of a special WCWF license shall:

12 (1) Display and sell wine that is:

13 (ii) Price filed in accordance with regulations adopted by the
14 [Comptroller] **SECRETARY**; and

15 8-314.

16 (e) A special festival licensee shall:

17 (1) Only display and sell:

18 (i) Wine that is:

19 2. Price filed in accordance with regulations adopted by
20 the [Comptroller] **SECRETARY**; and

21 8-806.

22 (c) A holder of a special BF license shall display and sell only beer that is:

23 (2) Price filed in accordance with regulations adopted by the
24 [Comptroller] **SECRETARY**;

25 9-101.

26 (a) A license may not be issued to a partnership, to a corporation, or to a
27 limited liability company, but only to individuals authorized to act for a partnership,

1 corporation, or limited liability company who shall assume all responsibilities as
2 individuals, and be subject to all of the penalties, conditions and restrictions imposed
3 upon licensees under the provisions of the Tax – General Article that relate to the
4 alcoholic beverage tax and the provisions of this article. If the application is made for a
5 partnership, the license shall be applied for and be issued to all the partners as
6 individuals, all of whom shall have resided in the city or county in which the place of
7 business is located for at least 2 years prior to the application.

8 (5) (i) This paragraph (5) applies only to licenses issued by the
9 [State Comptroller] **SECRETARY**.

10 (b) If the application is made for a corporation, or a club, whether
11 incorporated or unincorporated, the license shall be applied for by and be issued to
12 three of the officers of that corporation or club, as individuals, for the use of the
13 corporation or club, at least one of whom shall be a registered voter and taxpayer of
14 the county or city, or State of Maryland when the application is filed with the
15 [Comptroller] **SECRETARY**, and shall also have resided therein, at least two years
16 prior to the application. The application shall also set forth the names and addresses
17 of all of the officers of the corporation or club and shall be signed by the president or
18 vice president, as well as by three officers to whom the license shall be issued. The
19 application for every license shall disclose the name and address of the corporation,
20 partnership or association, as well as the name and address of the applicant. For an
21 application for any Class E, Class F or Class G license, the application may be made
22 by any three officers or employees residing in this State, duly authorized by the
23 corporation to apply for the license. The provisions of this subsection with reference to
24 an applicant being a registered voter, taxpayer or resident of the State of Maryland do
25 not apply when three principal officers of a corporation make application for a Class G
26 license. This section does not apply to “racetrack licenses” or to “beach and amusement
27 park licenses” issued in Anne Arundel County. In the case of a corporation where there
28 are less than three officers or directors of the corporation, all officers or directors shall
29 make the application as provided in this section. In the event there are no officers or
30 directors of a close corporation, at least one stockholder may make the application as
31 provided in this section, if there is an affirmative vote of the stockholders holding a
32 majority of the stock.

33 (c) (1) (i) Except as provided in subparagraph (ii) of this paragraph, if
34 the application is made for a limited liability company, the license shall be applied for
35 by and be issued to 3 of the authorized persons of that limited liability company, as
36 individuals, for the use of the limited liability company, at least 1 of whom shall be a
37 registered voter and taxpayer of the county or city, or the State when the application
38 is filed with the [Comptroller] **SECRETARY**, and shall also have resided there at least
39 2 years before the application.

40 9–104.

41 Before a license or permit may be issued under this article to an employer to
42 engage in an activity in which the employer may employ a covered employee, as

1 defined in § 9–101 of the Labor and Employment Article, the employer shall file with
2 the [State Comptroller] **SECRETARY** or local licensing board, as the case may be:

3 (1) A certificate of compliance with the Maryland Workers'
4 Compensation Act; or

5 (2) The number of a workers' compensation insurance policy or binder.
6 9–108.

7 (f) Before a Board may issue a license for use in premises in which more
8 than 10,000 square feet of floor space is devoted to off–sale use, the Board shall:

9 (3) Obtain the approval of the [Comptroller] **SECRETARY**, as provided
10 under subsection (g) of this section.

11 (g) (1) If a Board determines that the issuance of a license would meet the
12 criteria under subsection (f)(1) and (2) of this section, the Board shall obtain a written
13 review and approval from the [State Comptroller] **SECRETARY** before taking final
14 action on the application.

15 (2) The Board may issue the license if, on receipt of an application
16 from a board under paragraph (1) of this subsection, the [Comptroller] **SECRETARY**:

17 (i) Makes a determination that the issuance of the license
18 would not adversely affect the orderly distribution of alcoholic beverages in the State;

19 (ii) Makes a determination that the issuance of the license will
20 comply with all applicable provisions of this article relating to the issuance of multiple
21 licenses; and

22 (iii) Reports the [Comptroller's] **SECRETARY'S** findings in
23 writing to the Board.

24 (3) If the [Comptroller] **SECRETARY** determines that an application
25 submitted under paragraph (1) of this subsection does not meet the criteria provided
26 under paragraph (2) of this subsection, the Board may not issue the license.

27 9–207.

28 (f) If a licensed premises preceded the location of the protected building but
29 the protected building is located within 300 feet of a licensed premises, the [Office of
30 the Comptroller] **SECRETARY** may renew the license.

31 10–101.

1 (a) Every application for a manufacturer's or for a wholesaler's license, or for
2 any form of a Class E (on sale — steamboats) or of a Class F (on sale — railroads) or
3 of a Class G (on sale — airplanes) license shall be filed with the [Comptroller]
4 **SECRETARY**. Every application for any of the other licenses for which this article
5 provides shall be filed with the local licensing board where the place of business is to
6 be located.

7 10–102.

8 Every application for a Class E, Class F or Class G license shall be upon forms
9 prescribed by the [Comptroller] **SECRETARY**, sworn to by the applicant, and shall
10 contain the following information: (1) the name and address of the applicant and how
11 long he has resided within the State of Maryland; (2) the particular company on behalf
12 of which the license is desired; (3) the class of license desired; (4) a statement that the
13 applicant is a citizen of the United States, not less than twenty–one years of age, and
14 that such applicant has never been convicted for a felony; (5) that the applicant has
15 not had a license for the sale of alcoholic beverages revoked; (6) a statement that the
16 applicant will, if granted a license, conform to all laws and regulations relating to the
17 business with respect to which such license is desired; (7) and a statement by such
18 company assenting to the granting of the license applied for, and authorizing the
19 [Comptroller] **SECRETARY**, his duly authorized deputies, inspectors and clerks, to
20 inspect and search, without warrant, any and all airplanes, cars or boats to which
21 such license applies, at any and all hours; provided no such inspection or search shall
22 be made at such time or in such manner as to delay or interfere with the movement of
23 any airplane, train or boat.

24 10–103.

25 (b) Except as otherwise provided in this subtitle, every new application for a
26 license shall be made to the Board of License Commissioners on forms prescribed by
27 the [Comptroller] **SECRETARY** and sworn to by the applicant. Every application for a
28 license shall contain the following:

29 (17) (i) A statement duly executed and acknowledged by the owner
30 of the premises in which the business is to be conducted assenting to the granting of
31 the license applied for, and authorizing the [Comptroller] **SECRETARY**, his duly
32 authorized deputies, inspectors and clerks, the board of license commissioners of the
33 county or city in which the place of business is located, its duly authorized agents and
34 employees, any peace officer of that city or county, and any peace officer of any
35 incorporated municipality in which the business is to be conducted, to inspect and
36 search, without warrant, the premises upon which the business is to be conducted, and
37 any and all parts of the building in which the business is to be conducted, at any and
38 all hours.

39 10–104.

1 (b) In Allegany County the application shall also contain (1) a statement that
2 the applicant is not less than twenty-one years of age; (2) a statement by the applicant
3 that as a condition for the issuance and/or continuance of said license he will produce
4 all records required to be kept under the provisions of this article to the [Comptroller]
5 **SECRETARY**, his deputies or the Sheriff of Allegany County or the police officers of
6 any municipal corporation therein, or as may be required in any proceeding before the
7 Board of Alcoholic Beverages License Commissioners or the Circuit Court for Allegany
8 County relating to said license or said place of business; (3) the name of two persons,
9 or a bonding company, authorized under the provisions of this article, who will act as
10 sureties upon the bond required in Allegany County; (4) a statement of all persons
11 interested or to be interested, and, if the said license is to be taken out for a
12 corporation, partnership or unincorporated association, the name of such corporation,
13 partnership or unincorporated association; (5) a statement by the applicant as a
14 condition for the issue of said license that he will produce all records required to be
15 kept under the provisions of this article to the [Comptroller] **SECRETARY** or his
16 deputies, or to the Sheriff of Allegany County, or to the police officers of any municipal
17 corporation therein, or as may be required in any proceedings before the Board or
18 before the court, relating to said license or place of business; (6) a certification from
19 the Office of the Supervisor of Assessments of Allegany County showing the values of
20 the merchandise, fixtures and stock-in-trade for the business for which said license is
21 applied for, for the calendar year next preceding the year for which said license is to be
22 issued. Said certification shall also show that there are no unpaid taxes due to the
23 incorporated city or town or county in which the licensed activity is carried on or to the
24 State of Maryland on the merchandise, fixtures and stock-in-trade as aforesaid. The
25 petition shall be verified by the affidavit of the applicant or applicants made before a
26 notary public, or the clerk of the Circuit Court. There shall be annexed to the
27 application a petition signed by at least ten citizens or voters or property holders who
28 have not signed any other petition for license granted under this article living or
29 owning property in the vicinity of the place for which license is applied, stating the full
30 name, residence, or property owned of each person and certifying that they have been
31 acquainted with the petitioner or petitioners for more than one year preceding said
32 application for license, and that they have good reason to believe that all the
33 statements contained in said petition are true, and they, therefore, pray that said
34 petition be granted and that the license be issued as prayed for.

35 10-201.

36 Before the [Comptroller] **SECRETARY** shall approve any license or permit he
37 shall cause an investigation to be made regarding the applicant, the business to be
38 operated and the facts as set forth in the application. After the investigation, if the
39 [Comptroller] **SECRETARY** is of the opinion that the applicant is not a fit person to
40 receive the license or permit applied for, or has made a material false statement in his
41 application or has practiced fraud in connection with said application or that there are
42 other reasons, in the discretion of the [Comptroller] **SECRETARY**, why the license or
43 permit should not be issued, then the application shall be denied, and no such license

1 or permit shall be issued. If no such findings are made by the [Comptroller]
2 **SECRETARY**, then the application shall be approved and the license or permit issued.

3 10-202.

4 (i-1) (2) Subject to paragraph (3) of this subsection, the Board of License
5 Commissioners may not issue a license to an applicant unless the Board is provided
6 verification from the Comptroller, **SECRETARY**, and Prince George's County that the
7 applicant has:

8 (i) Paid all undisputed taxes payable to the Comptroller,
9 **SECRETARY**, and Prince George's County; or

10 (ii) Provided for payment of the taxes described in item (i) of
11 this paragraph in a manner satisfactory to the governmental unit responsible for
12 collection.

13 (4) Subject to paragraph (5) of this subsection, if a transfer and
14 issuance of a license is sought, the Board of License Commissioners may approve the
15 transfer, but condition the actual issuance of the license to the transferee on
16 verification:

17 (i) Of payment of all undisputed taxes payable by the
18 transferor to the Comptroller, **SECRETARY**, or Prince George's County; or

19 (ii) That payment of the taxes described in item (i) of this
20 paragraph has been provided for in a manner satisfactory to the governmental unit
21 responsible for collection.

22 10-204.

23 (a) (3) **(I) THE SECRETARY SHALL PAY ALL LICENSE AND PERMIT**
24 **FEES COLLECTED BY THE SECRETARY FOR THE USE OF THE STATE OF**
25 **MARYLAND TO THE COMPTROLLER.**

26 **(II) The [Comptroller's office may retain] COMPTROLLER**
27 **SHALL DISTRIBUTE** from the license and permit fees collected by the [office]
28 **SECRETARY** for the use of the State of Maryland sums necessary to pay refunds on
29 licenses issued by the [office] **SECRETARY** and the expenses incurred by the [office]
30 **SECRETARY** in the discharge of the duties imposed by this article **TO THE BUSINESS**
31 **AND TAX REGULATION FUND ESTABLISHED IN § 2-204 OF THE BUSINESS**
32 **REGULATION ARTICLE.**

33 **(III) AFTER THE DISTRIBUTION UNDER SUBPARAGRAPH (II)**
34 **OF THIS PARAGRAPH, THE COMPTROLLER SHALL DISTRIBUTE THE REMAINING**

1 **REVENUE FROM THE LICENSE AND PERMIT FEES COLLECTED BY THE**
2 **SECRETARY TO THE GENERAL FUND.**

3 (c) (2) (i) The Anne Arundel County Board of License Commissioners
4 shall remit to the county all fees collected by the Board.

5 (ii) The county shall pay from the receipts the salaries and
6 expenses of the Board and of its employees, as approved by the [State Comptroller]
7 **SECRETARY**, and shall devote the balance of the receipts to the general purposes of
8 the county.

9 (d) In Baltimore City the Mayor and City Council of Baltimore shall pay
10 from the receipts the salaries and expenses of the Board of License Commissioners of
11 Baltimore City and its employees, as approved by the [State Comptroller]
12 **SECRETARY**.

13 10-206.

14 (a) Every license issued under the provisions of this article shall be upon
15 forms prescribed by the [Comptroller] **SECRETARY** or board of license commissioners,
16 as the case may be, shall be dated as of the date of issue and shall expire, unless
17 otherwise provided, on April 30 next after its issuance, except temporary licenses and
18 special licenses, which shall expire as otherwise provided.

19 10-301.

20 (a) (2) (i) For all statewide licenses issued to a corporation by the
21 [State Comptroller] **SECRETARY** and in each county and Baltimore City,
22 notwithstanding any other provision of this article to the contrary, a corporation or
23 club holding an alcoholic beverages license may, during the license year, substitute
24 any or all names of its officers on the license if the deleted officer:

- 25 1. Is deceased;
- 26 2. Is retired;
- 27 3. Has been removed from office; or
- 28 4. No longer holds an office in the corporation or club.

29 (f-1) (2) Subject to paragraph (4) of this subsection, before a license may be
30 renewed, the Board of License Commissioners shall verify:

31 (i) 1. Through the Office of the Comptroller, that the
32 current license holder has paid all undisputed taxes payable to the Comptroller;

1 **2. THROUGH THE SECRETARY, THAT THE CURRENT**
2 **LICENSE HOLDER HAS PAID ALL UNDISPUTED TAXES PAYABLE TO THE**
3 **SECRETARY; and**

4 **[2.]3.** Through Prince George's County, that the current
5 license holder has paid all undisputed taxes payable to Prince George's County; or

6 (ii) That the current license holder has provided for payment of
7 the taxes described in item (i) of this paragraph in a manner satisfactory to the
8 governmental unit responsible for the collection.

9 10–401.

10 (a) (1) In this section “issuing authority” means, as appropriate, the:

11 (i) [Comptroller] **SECRETARY** with respect to licenses or
12 permits issued by the [Comptroller's Office] **SECRETARY**; or

13 (ii) Board of license commissioners, with respect to licenses
14 approved by them, for Baltimore City or any county.

15 (3) The license or permit must be revoked or suspended, except as
16 provided in § 10–402 of this subtitle or § 15–112(c)(6) or (p) of this article, for the
17 following causes:

18 (x) Failure to furnish bond as required by this article within
19 fifteen days after notice from the [Comptroller] **SECRETARY**.

20 10–402.

21 (a) Whenever any license or permit issued under the provisions of this article
22 is suspended by the [Comptroller] **SECRETARY**, the licensee or permittee may, before
23 the effective date of the suspension, petition the [Comptroller] **SECRETARY** for
24 permission to make an offer of compromise consisting of a sum of money in lieu of
25 serving the suspension.

26 (d) The [Comptroller] **SECRETARY** may accept the offer of compromise if (1)
27 the public welfare and morals would not be impaired by allowing the licensee or
28 permittee to operate during the period set for the suspension and (2) the payment of
29 the sum of money will achieve the desired disciplinary purposes.

30 (e) The [Comptroller] **SECRETARY** may promulgate rules and regulations
31 necessary to carry out the purposes of this section.

32 10–403.

1 (a) (1) The [Comptroller] **SECRETARY** or the Board of License
2 Commissioners for any county or Baltimore City, as the case may be, may on its own
3 initiative or upon the written complaint of ten or more citizens, residents, real estate
4 owners and voters of the precinct in which any licensed place of business is situated or
5 upon the complaint of any deputy or inspector employed by the [Comptroller]
6 **SECRETARY** in the administration of this law, or any peace officer, or if the licensee is
7 located within the corporate limits of any municipality, which is within a county, upon
8 complaint of the mayor and council of that municipality, after a hearing upon charges
9 to be framed by the officer or Board, or upon the complaint, notice of which shall be
10 given to the licensee at least ten days before the hearing, revoke or suspend any
11 license issued under the provisions of this article.

12 (2) Nothing contained in this section shall prevent the immediate
13 suspension of any license by:

14 (i) The [Comptroller] **SECRETARY**;

15 10-404.

16 (a) Except as otherwise provided in this section, when the license issued
17 under the provisions of this article has been revoked, such licensee shall not at any
18 time thereafter be entitled to obtain any other license under the provisions of this
19 article, and no other person shall be entitled to obtain such a license for the same
20 premises until after the expiration of six months from the date of such revocation and
21 not at all in the discretion of said [Comptroller] **SECRETARY**, board of license
22 commissioners for the city or county, court or State Appeal Board as the case may be.
23 If the license was held on behalf of a corporation, partnership, or unincorporated
24 association, no person until after the expiration of said six-month period shall be
25 entitled to obtain another license on behalf of such corporation, partnership, or
26 unincorporated association, for the sale of alcoholic beverages upon the same premises.

27 10-504.

28 (a) Except in Baltimore County, on the tenth day after the holder of any
29 license issued under this article has vacated, or been evicted from the premises for
30 which the license was issued, the license shall expire unless an application for
31 approval of a transfer to another location or assignment to another person pursuant to
32 § 10-503 of this article or an application pursuant to § 10-506 of this article has been
33 approved or is then pending. However, the [State Comptroller] **SECRETARY** or local
34 licensing board, as the case may be, may postpone the expiration for an additional
35 period not exceeding 20 days in any case to avoid undue hardship.

36 (d) (1) (i) This subsection applies only in Baltimore City.

1 (ii) In this subsection, “Board” means the Board of License
2 Commissioners or the [Office of the Comptroller] **SECRETARY**, whichever is the
3 issuing party.

4 (e) (1) (i) This subsection applies only in Baltimore County.

5 (ii) In this subsection, “Board” means the Board of License
6 Commissioners or the [Office of the Comptroller] **SECRETARY**, whichever is the
7 issuing party.

8 10–506.

9 (a) Upon the death of the holder of any license issued under this article other
10 than Class E, Class F and Class G licenses, the license shall expire. However, upon
11 application to the [Comptroller] **SECRETARY** or local licensing board, as the case may
12 be, that granted the license, and upon the payment of a fee of one dollar (\$1.00), made
13 by the executors or administrators of the deceased licensee to the [Comptroller]
14 **SECRETARY** or local collecting agent, as the case may be, a certificate of permission
15 may be granted for the continuation of the business in the name of the executors or
16 administrators for the benefit of the estate of the deceased. The certificate of
17 permission may be granted for a period not exceeding 18 months from the date of the
18 granted permission, unless the license expires earlier. If the license does expire
19 earlier, upon application by the executor or administrator, a renewal license may be
20 granted for a period not exceeding 18 months after the death of the license holder.
21 Such certificates of permission and renewal licenses issued will be subject to the right
22 of protest, revocation, suspension and restriction as in other cases, upon the payment
23 of a pro rata license fee for such period, and during the period of such continuation the
24 said license and the executors or administrators of the deceased shall be subject to the
25 provisions of the Tax – General Article that relate to the alcoholic beverage tax and all
26 of the provisions of this article. The said administrator or executor to which the
27 aforesaid certificate of permission has been granted may assign or transfer said license
28 for the benefit of said estate, and upon the approval of the application for said transfer
29 or assignment, the said license shall be considered reinstated upon the payment of the
30 balance of the license fee which might be due to the expiration of the license year. If
31 the business of the licensee be not continued as above provided, or if the said license be
32 not transferred or assigned, his executors or administrators shall be authorized to
33 apply for and obtain any refund to which the deceased would have been entitled if his
34 license had been surrendered for cancellation upon the date of his death. No Class E,
35 Class F or Class G license shall expire or become inoperative because of the death
36 and/or incompetency of one or more, but less than all, of the persons to whom it is
37 issued for a company. If all of the persons to whom it is so issued shall die and/or
38 become incompetent during its term, such license shall expire ten days thereafter, but,
39 upon application within such ten days, accompanied by a fee payment of \$1.00 by a
40 person on behalf of such company, the [Comptroller] **SECRETARY** shall issue a new
41 license replacing, and containing the privileges of, such license to the end of the license
42 year.

1 (b) Notwithstanding any provisions to the contrary in this article, upon the
2 death of any married licensee, or upon the death of any licensee holding that license
3 for the benefit of a partnership or corporation, upon application to the [Comptroller]
4 **SECRETARY** or local licensing board, as the case may be, that granted the license, a
5 new license shall be issued to the surviving spouse, the surviving partners for the
6 benefit of the partnership, or the senior surviving officer for the benefit of the
7 corporation without the necessity of any further proceedings for the balance of the
8 current license year. A renewal license may be issued to the surviving spouse or to the
9 surviving members of a partnership or corporation, if they qualify to hold license
10 under this article. The provisions of this subsection apply only in the following
11 subdivisions:

- 12 (1) Anne Arundel County;
- 13 (2) Baltimore County;
- 14 (3) Baltimore City;
- 15 (4) Caroline County;
- 16 (5) Charles County;
- 17 (6) Dorchester County;
- 18 (7) Prince George's County;
- 19 (8) Somerset County; and
- 20 (9) Wicomico County.

21 10-507.

22 The provisions of the Tax – General Article that relate to the alcoholic beverage
23 tax or the provisions of this article shall not be construed to prevent the sale and
24 delivery of alcoholic beverages by manufacturers and wholesalers to persons permitted
25 by proper authority or authorities of the United States to purchase alcoholic beverages
26 for use only on the federal reservation in this State where such persons are assigned
27 without payment of the taxes on the wine and liquor; and in the case of beer upon
28 which the tax has been paid at the time of purchase, a refund of the tax shall be made
29 after approval by the [Comptroller] **SECRETARY** upon proper application therefor
30 filed within ninety (90) days from date of purchase. Provided, however, the
31 [Comptroller] **SECRETARY** may require his approval of each order of wine or distilled
32 spirits before the purchase or delivery of same.

33 12-102.

1 (a) In order to eliminate the undue stimulation of the sale of alcoholic
2 beverages and the practice of manufacturers and wholesalers in granting secret
3 discounts, rebates, allowances, free goods or other inducement to selected licensees
4 which contribute to a disorderly distribution of alcoholic beverages, it shall be
5 unlawful for any person licensed hereunder as a manufacturer, wholesaler, resident
6 dealer, or nonresident winery permit holder to discriminate directly or indirectly in
7 price, discounts or the quality of merchandise sold, between one dispensary and
8 another dispensary, between one wholesaler and another wholesaler or between one
9 retailer and another retailer purchasing alcoholic beverages bearing the same brand
10 and trade name and of like age and quality. It shall be unlawful for any nonresident
11 dealer, resident dealer, nonresident winery permit holder, or nonresident unlicensed
12 manufacturer to use or promote the use of any such practices for the sale or
13 distribution of alcoholic beverages to or through the manufacturers, wholesalers or
14 county dispensaries in this State. This section shall not restrict a manufacturer,
15 wholesaler, nonresident dealer, resident dealer, or nonresident winery permit holder
16 from limiting the quantity of alcoholic beverages to be sold to any licensee under a
17 voluntary or compulsory plan of ration and the word "purchase" shall not imply that a
18 manufacturer, wholesaler, nonresident dealer, resident dealer, or nonresident winery
19 permit holder shall be required to sell to all licensees from whom they receive orders.
20 The [Comptroller] **SECRETARY** may promulgate such rules and regulations as are
21 necessary to carry out the purpose of this section.

22 (c) (2) Notwithstanding any other provision of this section, a supplier
23 may enter into an agreement with a wholesaler or authorized representative to
24 replace, directly or indirectly, stale or out-of-date malt beverage products on retail
25 licensed premises:

26 (i) On a case for case basis;

27 (ii) At the supplier's expense; and

28 (iii) Under a plan submitted to and approved by the [State
29 Comptroller] **SECRETARY**.

30 (3) If a wholesaler refuses to replace stale or out-of-date malt
31 beverage products on retail licensed premises, the supplier may unilaterally submit a
32 replacement plan to the [State Comptroller] **SECRETARY** for approval.

33 (4) Notwithstanding any other provision of this article, the
34 replacement plan that the supplier unilaterally submits to the [State Comptroller]
35 **SECRETARY** may include the designation of an authorized representative or
36 wholesaler outside the territory of the wholesaler who refuses to participate in a plan
37 to replace stale or out-of-date malt beverage products.

38 12-103.

1 (b) The [Comptroller] **SECRETARY** is authorized and directed, by regulation,
2 to prescribe the maximum discounts which may be allowed by any manufacturer,
3 wholesaler, or nonresident winery permit holder in the sale and distribution of various
4 quantities of wines and liquors. Said regulation may also, in the discretion of the
5 [Comptroller] **SECRETARY**, prohibit the giving of discounts by any manufacturer,
6 wholesaler, or nonresident winery permit holder in the sale and distribution of any or
7 all quantities or kinds of wines and liquors.

8 (c) The [Comptroller] **SECRETARY** is authorized and directed, by regulation,
9 to require the filing, from time to time, by any manufacturer, wholesaler, nonresident
10 dealer, resident dealer, or nonresident winery permit holder of schedules of prices at
11 which wines and liquors are sold by such manufacturer, wholesaler, nonresident
12 dealer, resident dealer, or nonresident winery permit holder and further to require the
13 filing of any proposed price change. Said regulation shall provide that the effective
14 date of any proposed price decrease shall be postponed for such period of time as the
15 [Comptroller] **SECRETARY** may prescribe sufficient to permit notice thereof to other
16 manufacturers or wholesalers selling similar wines and liquors and an opportunity for
17 the same to make a like price decrease. Said regulation shall also provide that any
18 manufacturer, wholesaler, nonresident dealer, resident dealer, or nonresident winery
19 permit holder proposing to sell any wines and liquors not currently being sold by the
20 same shall first give notice to the [Comptroller] **SECRETARY** of the prices at which
21 such wines and liquors are proposed to be sold; and said regulation shall further
22 provide that sales of such wines and liquors shall not be made for such period of time
23 as the [Comptroller] **SECRETARY** may prescribe sufficient to permit notice thereof to
24 other manufacturers or wholesalers selling similar wines and liquors and an
25 opportunity for such other manufacturers or wholesalers to alter the price of such
26 similar wines and liquors so as to make that price comparable to the price fixed by the
27 manufacturer or wholesaler proposing to sell wines and liquors not currently being
28 sold. The [Comptroller] **SECRETARY** is authorized and empowered, in promulgating
29 the regulations required by this subsection, to require the filing by any manufacturer,
30 wholesaler, nonresident dealer, resident dealer, or nonresident winery permit holder
31 of any other information with regard to the size, containers, brands, labels,
32 descriptions, packages, quantities to be sold and any other data in connection with
33 wines and liquors as the [Comptroller] **SECRETARY** may reasonably determine.

34 (c-1) The [Comptroller] **SECRETARY** may require, by regulation, that
35 suppliers of wholesalers of distilled spirits affirm that the net price of each item
36 offered for sale, exclusive of routine transportation costs, is no higher than the lowest
37 price at which such item is being offered for sale elsewhere within the United States,
38 including the District of Columbia.

39 (e) Nothing contained in this section shall be construed to authorize the
40 [Comptroller] **SECRETARY** to fix the prices at which any wines and liquors may be
41 sold by any manufacturer, wholesaler, nonresident dealer, resident dealer, or
42 nonresident winery permit holder other than to fix permissible discounts which may
43 be allowed by any manufacturer or wholesaler on such sales and other than to

1 postpone the effective date of any proposed price decrease in the sale and distribution
2 of wines and liquors currently sold by any manufacturer, wholesaler, nonresident
3 dealer, resident dealer, or nonresident winery permit holder or the effective date of the
4 sale of any wines and liquors not currently being sold by any manufacturer,
5 wholesaler, nonresident dealer, resident dealer, or nonresident winery permit holder
6 for a reasonable period sufficient to permit the filing of proposed price decreases or
7 proposed sales of wines and liquors not currently being sold, as the case may be, with
8 the [Comptroller] **SECRETARY** and notice thereof to other manufacturers or
9 wholesalers, and an opportunity for the same to make like price changes. Nothing
10 contained in this section shall be construed to require any manufacturer, wholesaler,
11 nonresident dealer, resident dealer, or nonresident winery permit holder of wines and
12 liquors to make sales to any licensees under the provisions of this article.

13 12-104.

14 (e) (5) (ii) Subject to subparagraph (iii) of this paragraph, the
15 [Comptroller] **SECRETARY** may issue one Class 6 pub-brewery license or one Class 7
16 micro-brewery license, but not both, to a person that holds not more than five Class B
17 beer, wine and liquor licenses.

18 (6) (i) The [State Comptroller] **SECRETARY** may issue to a single
19 applicant one Class 6 pub-brewery license or one Class 7 micro-brewery license but
20 not both for a location in an enterprise zone in Dorchester County, if the applicant
21 holds no more than three Class B beer, wine and liquor licenses.

22 12-107.

23 (b) (6) Notwithstanding any other provision of this article, paragraph (2)
24 of this subsection does not apply to a Class 4 limited winery which brings wine and
25 pomace brandy manufactured on its licensed premises onto a retail licensed premises
26 under the following conditions:

27 (iv) The limited winery or winery trade association complies
28 with any rules or regulations promulgated by the [Comptroller] **SECRETARY**
29 pertaining to on-premise promotions and product sampling; and

30 12-112.

31 (c) (5) (i) A wholesaler may not intentionally deliver beer to a retail
32 dealer to whom any wholesaler has extended credit under this subsection if the retail
33 dealer:

34 2. Is currently listed on the Worcester County beer
35 credit control list in accordance with regulations issued by the [Comptroller]
36 **SECRETARY**.

1 (8) (i) A retail dealer may request a hearing with the [State
2 Comptroller] **SECRETARY** within 10 days after being listed on the Worcester County
3 beer credit control list for failure to comply with the provisions of this subsection.

4 (ii) The [State Comptroller] **SECRETARY** shall remove
5 immediately from the Worcester County beer credit control list a retail dealer who
6 requests a hearing, pending the disposition of the hearing.

7 (9) The [State Comptroller] **SECRETARY** shall enforce the provisions
8 of this subsection and shall adopt regulations to carry out this subsection.

9 12–113.

10 (a) For the prevention and detection of fraud by manufacturers, wholesalers
11 and retail dealers, the [Comptroller] **SECRETARY** and/or the local liquor licensing
12 boards shall be empowered to prescribe for use, and to authorize any of their deputies
13 or inspectors to make use of such hydrometers, saccharometers, weighing and gauging
14 instruments or other means, records or devices for ascertaining the quantity and/or
15 quality of alcohol in any alcoholic beverage as they may deem necessary, and they may
16 prescribe rules and regulations to secure a uniform and correct system of inspection,
17 marking and gauging of all such beverages.

18 13–101.

19 (a) In this section “alcohol awareness program” means a program:

20 (1) That:

21 (i) Is approved and certified by the [State Comptroller]
22 **SECRETARY**; and

23 (ii) Has been issued an alcohol awareness program permit by
24 the [State Comptroller] **SECRETARY**;

25 (e) (1) The [State Comptroller] **SECRETARY**:

26 (i) Shall approve and certify each alcohol awareness program
27 that is in compliance with this section; and

28 (ii) May require recertification of the approved program to
29 insure compliance with any changes in the program.

30 (5) (ii) Any program provider who violates the provisions of this
31 subsection is subject to a decertification of the program by the [State Comptroller]
32 **SECRETARY**.

1 (g) The [Comptroller] **SECRETARY** may issue regulations to set standards
2 and requirements pertaining to course content, course duration, course format and
3 any other course related activities the [Comptroller] **SECRETARY** may require.

4 14-201.

5 Every person, who within this State, shall manufacture, rectify, blend, import,
6 distribute, transport, store, warehouse, sell or offer for sale alcoholic beverages, or who
7 is the holder of a license permitting the doing of any such acts, shall keep complete
8 and accurate records of all alcoholic beverages purchased, sold, manufactured,
9 rectified, blended, improved, brewed, fermented, distilled, produced, stored,
10 warehoused, withdrawn from storage, imported or transported, and report (under oath
11 if the [Comptroller] **SECRETARY** deems advisable) at any time, and from time to time,
12 upon written request of the [Comptroller] **SECRETARY**, on forms prescribed by the
13 [Comptroller] **SECRETARY**, any information relating to alcoholic beverages for which
14 the records prescribed by this section are required to be kept. Such records shall be of
15 a kind and in the form prescribed by the [Comptroller] **SECRETARY** and shall be
16 safely preserved for two (2) years in such a manner as to insure permanency and
17 accessibility for inspection by the [Comptroller] **SECRETARY** or any duly authorized
18 employee of said [Comptroller] **SECRETARY** during all regular business hours. All
19 records of license holders shall be kept and maintained at the location designated in
20 the license and shall be available for audit or inspection by the [Comptroller]
21 **SECRETARY** or his duly authorized representative during all regular business hours.
22 Provided, however, where a person is permitted to have more than one location the
23 records may be kept at the principal location. In addition to the other penalties
24 provided by this article, the [Comptroller] **SECRETARY** shall have power to suspend
25 immediately, without a hearing, for a period not exceeding thirty days, the license of
26 any licensee who shall fail to comply with the provisions of this section, and such
27 license may be further suspended or revoked after hearing, as elsewhere in this article
28 provided.

29 14-202.

30 (a) Every common carrier, by rail, air, water or highway, transporting
31 alcoholic beverages, either in interstate or intrastate commerce, to points within the
32 State of Maryland, and every person transporting alcoholic beverages by any means
33 within the State of Maryland, shall at any time and from time to time, upon written
34 request of the [Comptroller] **SECRETARY**, report under oath on forms prescribed by
35 the [Comptroller] **SECRETARY**, all such consignments or deliveries of alcoholic
36 beverages, for such period as the [Comptroller] **SECRETARY** may specify.

37 (b) If required by the [Comptroller] **SECRETARY**, the reports shall show:

38 (1) The name and address of the person to whom the deliveries of
39 alcoholic beverages have actually and in fact been made;

1 (2) The name and address of the original consignee, if alcoholic
2 beverages have been delivered to any other person than the originally named
3 consignee;

4 (3) The point of origin, the point of delivery, the date of delivery and
5 the number and initials of each car, if shipped by rail, the name of the boat, barge or
6 vessel, if shipped by water, the license number of each truck, if shipped by motor
7 truck, or if delivered by other means, the manner in which the delivery was made;

8 (4) The kind of alcoholic beverages and the number of gallons of each
9 contained in any such shipment or shipments; and

10 (5) Any other additional information relative to shipments that the
11 [Comptroller] **SECRETARY** may require.

12 14–203.

13 The [Comptroller] **SECRETARY** shall include in his annual reports statements
14 giving statistical information as to the alcoholic beverages business in this State,
15 which, in his opinion, shall be of interest to the public and industry; it being the intent
16 and purpose of this section to furnish a basis for annual comparison as to the scope of
17 the industry in Maryland, and the consuming habits of Maryland residents.

18 14–204.

19 (a) The [Comptroller] **SECRETARY**, local licensing boards, and license
20 issuing authorities shall severally keep an accurate record of every license issued or
21 approved by them, respectively, under this article. The [Comptroller] **SECRETARY**
22 and boards shall also keep an accurate record of all revocations, suspensions and
23 cancellations of licenses and of all restrictions imposed upon any license, with a brief
24 notation as to the cause for such action, and the boards shall in each case, forthwith
25 report the same to the [Comptroller] **SECRETARY**. Such records shall be open to
26 inspection at the respective offices of the [Comptroller] **SECRETARY**, board, or license
27 issuing authority during regular business hours, by any person.

28 15–109.

29 (d) In Baltimore City:

30 (3) The Board shall appoint an executive secretary and a deputy
31 executive secretary whose salaries shall be fixed by the Board, subject to approval by
32 the [State Comptroller] **SECRETARY**.

33 15–112.

1 (c) (3) (ii) In addition to a salary stated in subparagraph (i) of this
2 paragraph, each of the inspectors shall receive a monthly expense of \$300 per month,
3 subject to the approval of the [State Comptroller] **SECRETARY**.

4 15–206.

5 (a) The liquor control board shall keep accurate records of all purchases of
6 alcoholic beverages, which records shall be open to inspection by the [Comptroller]
7 **SECRETARY** or any of his deputies during all regular business hours, and shall also
8 prepare and forward to the board of county commissioners a report for the period
9 ending on April 30th, in each year, which report shall contain a full and complete
10 statement of the business transacted by the board and the results of the operation of
11 the dispensaries or branch dispensaries established under the authority of this
12 subtitle.

13 16–301.

14 (a) In addition to the powers otherwise provided by this article, the
15 [Comptroller] **SECRETARY** and the board of license commissioners from any county or
16 Baltimore City, respectively, have full power and authority to adopt such reasonable
17 rules and regulations as they may deem necessary to enable them effectively to
18 discharge the duties imposed upon them by this article.

19 16–302.

20 The [Comptroller] **SECRETARY** is hereby directed and empowered to make,
21 amend, alter and publish rules and regulations for the proper enforcement of his
22 duties under this article. He is authorized to adopt rules and regulations in regard to
23 labeling and advertising similar to those adopted by the Federal Bureau of Alcohol,
24 Tobacco and Firearms; nature, form and capacity of all containers; credit sales; records
25 to be kept by licensees and others engaged in the business; and such other subjects as
26 may be deemed necessary for the proper administration of his duties under this
27 article. Any violation of any rule or regulation adopted hereunder, or under the
28 provisions of the Tax – General Article that relate to the alcoholic beverage tax, shall
29 be ground for revocation or suspension of license, and the offender shall be subject to
30 the penalties prescribed by § 16–503 of this article.

31 16–303.

32 The [Comptroller] **SECRETARY** is hereby authorized and empowered to make,
33 amend, alter and publish rules and regulations regarding the amount of deposit on
34 returnable beer containers which shall be charged and collected by manufacturers and
35 wholesalers of beer.

36 16–401.

1 It shall be the duty of the various State's Attorneys, sheriffs, constables, bailiffs,
2 police and other prosecuting and peace officers of every sort, to enforce the provisions
3 of this article, and to prosecute those persons charged with violation of the provisions
4 thereof. No powers or duties herein conferred upon the [Comptroller] **SECRETARY** or
5 any other State official shall be deemed to relieve local officials from this duty of
6 enforcement and prosecution. Nothing herein shall be deemed to restrict in any
7 manner the appropriation of funds by the political subdivision of this State to aid in
8 the enforcement of the provisions of this article. The provisions of this section shall not
9 apply to the Sheriff, constables and bailiffs of Baltimore County.

10 16-404.

11 (a) The [Comptroller] **SECRETARY** may investigate the manufacture, sale,
12 purchase, use and transportation of industrial alcohol unfit for beverage use to the
13 extent reasonably necessary to prevent conversion into alcoholic beverages fit for
14 consumption. The [Comptroller] **SECRETARY** may call upon other administrative
15 departments of the State, county and municipal governments, county and city police
16 departments and upon all prosecuting officers for such information and assistance as
17 he may deem necessary to carry out the provisions of this article.

18 (b) The [Comptroller] **SECRETARY** is authorized to delegate the
19 [Comptroller's] **SECRETARY'S** authority under this article [to the director of the
20 Alcohol and Tobacco Tax Bureau of the Comptroller's office] to issue or refuse to issue
21 licenses and permits.

22 (c) The [Comptroller] **SECRETARY** is authorized to delegate the
23 [Comptroller's] **SECRETARY'S** authority to conduct hearings of violations of this
24 article or of any regulations issued thereunder [to the director of the Alcohol and
25 Tobacco Tax Bureau of the Comptroller's office or any other employee of the
26 Comptroller's office]; provided, however, [the director of the Alcohol and Tobacco Tax
27 Bureau of the Comptroller's office or any other employee of the Comptroller's office]
28 **ANY EMPLOYEE** delegated by the [Comptroller] **SECRETARY** shall not have the
29 authority to invoke penalties provided for under this article, but shall report the
30 employee's findings and recommendations to the [Comptroller] **SECRETARY**, for the
31 taking of such action as the latter deems appropriate.

32 16-405.

33 The [Comptroller, his] **SECRETARY, THE SECRETARY'S** duly authorized
34 deputies, inspectors and clerks, the board of license commissioners of the county or the
35 city in which the place of business is located, its duly authorized agents and
36 employees, and any peace officer of such county or city, or any of them, shall be fully
37 authorized to inspect and search, without warrant, at all hours, any building, vehicle
38 and premises in which any alcoholic beverages are authorized to be kept, transported,
39 manufactured or sold under a license or permit issued under the provisions of this
40 article, and any evidence discovered during any such inspections shall be admissible in

1 any prosecution for the violation of the provisions of this or any other article, or upon
2 any hearing for revocation, suspension or restriction of the license or permit. Any
3 alcoholic beverages taken as evidence shall be returned to the license or permit holder
4 if he be adjudged not guilty; otherwise it shall be sold to license holders, turned over to
5 State institutions for medicinal use or destroyed. Receipts from such sales shall be
6 credited to the general fund account of the State, county or Baltimore City as the case
7 may be.

8 16-407.

9 (a) There is a Field Enforcement Bureau under the [Comptroller]
10 **SECRETARY**, with such officers and employees as may be provided for in the budget
11 from time to time.

12 (b) The officers and employees of the Field Enforcement Bureau shall be
13 sworn police officers and shall have all the powers, duties and responsibilities of peace
14 officers for the enforcement of the provisions of this article having to do generally with
15 (1) the illegal importation of alcoholic beverages into this State; (2) the illegal
16 manufacture of alcoholic beverages in this State; (3) the transportation and/or
17 distribution throughout this State of alcoholic beverages which were manufactured
18 illegally and/or on which any alcoholic beverages taxes imposed by this State are due
19 and illegally unpaid; and (4) the manufacture, sale, barter, transportation,
20 distribution or other form of owning, handling or dispersing alcoholic beverages by any
21 person, persons, associations or corporation not licensed or authorized therefor under
22 the provisions of this article. They are authorized and empowered, from time to time to
23 make cooperative arrangements for and to work and cooperate with the various State's
24 Attorneys, sheriffs, constables, bailiffs, police and other prosecuting and peace officers
25 of every sort, in order to enforce the provisions of this article and as provided in this
26 section.

27 (c) The Field Enforcement Bureau shall consult and advise with the several
28 State's Attorneys and other law enforcement officials and police officers as to
29 enforcement problems in their respective jurisdictions, and may make suggestions and
30 recommendations for changes to improve the execution and administration of the
31 provisions of this article.

32 16-407.1.

33 The [Comptroller] **SECRETARY** shall enforce the provisions of this article
34 applicable to:

35 (1) The purchase or importation of alcoholic beverages by a
36 department of liquor control or a liquor control board; and

37 (2) The sale of alcoholic beverages to a wholesaler or retail dealer by a
38 department of liquor control or a liquor control board.

1 16-410.

2 (a) (2) "Board" means the [Comptroller] **SECRETARY**, the boards of
3 license commissioners, or the members of the boards, as appropriate.

4 16-506.

5 Every person who shall knowingly or wilfully have in his possession, transport,
6 sell or offer for sale, or permit to be kept upon his premises, any alcoholic beverages
7 subject to the tax imposed by this article, upon which the tax has not been paid, and
8 every person who shall counterfeit or forge any stamp or certificate required by this
9 article, or who shall participate in the evasion of the tax imposed by this article, or
10 who shall violate any provisions of any rule or regulation prescribed by the
11 [Comptroller] **SECRETARY** pursuant to the authorization contained in this article,
12 shall, upon conviction, be subject to a fine of not exceeding ten thousand dollars
13 (\$10,000.00) or to imprisonment for not more than five years or both fine and
14 imprisonment in the discretion of the court.

15 21-106.

16 (b) A keg licensee may not sell or otherwise transfer, or offer to sell or
17 otherwise transfer the contents of a keg for consumption off-premises unless:

18 (1) The keg licensee provides to the purchaser a keg registration form
19 approved and distributed by the [State Comptroller] **SECRETARY** that is designed to
20 be affixed to the keg and that indicates the name and address of the licensed
21 establishment and a registration number;

22 **Article – Business Regulation**

23 **SUBTITLE 1. GENERAL PROVISIONS.**

24 2-101.

25 There is a Department of Labor, Licensing, and Regulation, established as a
26 principal department of the State government.

27 **SUBTITLE 2. DIVISION OF BUSINESS REGULATION AND TAXATION.**

28 **2-201.**

29 (A) **IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
30 **INDICATED.**

31 (B) **"DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OF BUSINESS**
32 **REGULATION AND TAXATION.**

1 (C) “DIVISION” MEANS THE DIVISION OF BUSINESS REGULATION AND
2 TAXATION.

3 **2-202.**

4 (A) THERE IS A DIVISION OF BUSINESS REGULATION AND TAXATION IN
5 THE DEPARTMENT.

6 (B) THE DIVISION SHALL PERFORM ANY FUNCTION THAT THE
7 SECRETARY ASSIGNS TO IT TO CARRY OUT THIS SUBTITLE, TITLE 10, TITLE 16,
8 TITLE 16.5, AND TITLE 17, SUBTITLE 20A OF THIS ARTICLE, TITLES 5, 9, AND
9 12 OF THE TAX – GENERAL ARTICLE, AND ARTICLE 2B OF THE CODE AND, AS
10 THEY RELATE TO THE SECRETARY’S POWERS AND DUTIES, TITLES 2 AND 13 OF
11 THE TAX – GENERAL ARTICLE.

12 **2-203.**

13 THE SECRETARY MAY DELEGATE TO AN EMPLOYEE OF THE DEPARTMENT
14 ANY POWER OF DUTY THAT IS REASONABLE AND PROPER FOR THE
15 ADMINISTRATION OF THIS SUBTITLE, TITLE 10, TITLE 16, TITLE 16.5, AND
16 TITLE 17, SUBTITLE 20A OF THIS ARTICLE, TITLES 5, 9, AND 12 OF THE
17 TAX – GENERAL ARTICLE, AND ARTICLE 2B OF THE CODE AND, AS THEY
18 RELATE TO THE SECRETARY’S POWERS AND DUTIES, TITLES 2 AND 13 OF THE
19 TAX – GENERAL ARTICLE.

20 **2-204.**

21 (A) IN THIS SECTION, “FUND” MEANS THE BUSINESS REGULATION AND
22 TAXATION FUND.

23 (B) THERE IS A BUSINESS REGULATION AND TAXATION FUND.

24 (C) THE SECRETARY SHALL ADMINISTER THE FUND.

25 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
26 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

27 (2) THE STATE TREASURER SHALL HOLD THE FUND
28 SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

29 (E) THE FUND CONSISTS OF:

1 **(1) REVENUE DISTRIBUTED TO THE FUND UNDER ARTICLE 2B, §**
2 **10-204(A)(3) OF THE CODE, §§ 16-216 AND 16.5-213 OF THIS ARTICLE, AND §§**
3 **2-301, 2-1102, AND 2-1602 OF THE TAX – GENERAL ARTICLE;**

4 **(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**
5 **AND**

6 **(3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
7 **THE BENEFIT OF THE FUND.**

8 **(F) THE FUND MAY BE USED ONLY FOR ADMINISTERING:**

9 **(1) THE ALCOHOLIC BEVERAGE LICENSING BY THE SECRETARY**
10 **UNDER ARTICLE 2B OF THE CODE AND THE ALCOHOLIC BEVERAGE TAX UNDER**
11 **TITLE 5 OF THE TAX – GENERAL ARTICLE;**

12 **(2) THE LICENSING OF CIGARETTES AND OTHER TOBACCO**
13 **PRODUCTS UNDER TITLES 16 AND 16.5 OF THIS ARTICLE AND THE TOBACCO**
14 **TAX UNDER TITLE 12 OF THE TAX – GENERAL ARTICLE;**

15 **(3) THE LICENSING AND TAXATION OF MOTOR CARRIERS AND**
16 **MOTOR FUEL UNDER TITLE 12 OF THE TAX – GENERAL ARTICLE; AND**

17 **(4) THE LICENSING OF TRANSIENT VENDORS UNDER TITLE 17,**
18 **SUBTITLE 20A OF THIS ARTICLE.**

19 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**
20 **FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

21 **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE**
22 **CREDITED TO THE GENERAL FUND OF THE STATE.**

23 **(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN**
24 **ACCORDANCE WITH THE STATE BUDGET.**

25 10-101.

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

27 **(d) (1) “Gasoline” means a product that:**

28 **(i) is used as fuel in a spark ignited, internal combustion**
29 **engine; or**

1 (ii) is designated as gasoline by the [Comptroller] **SECRETARY**.

2 10–201.

3 (a) (1) The [Comptroller] **SECRETARY** shall administer and enforce this
4 title.

5 (2) The [Comptroller] **SECRETARY** may delegate any power or duty of
6 the [Comptroller] **SECRETARY** under this title.

7 (b) To enforce this title, the [Comptroller] **SECRETARY** may make
8 investigations, hold hearings, examine persons under oath, and receive evidence.

9 (c) To enforce this title, the [Comptroller] **SECRETARY** may issue subpoenas
10 for the attendance of witnesses to testify or to produce evidence.

11 (d) (1) For inspection or drawing samples, the [Comptroller] **SECRETARY**
12 shall have access, during normal business hours, to:

13 (i) each place where motor fuel is stored for sale;

14 (ii) each conveyance used to transport motor fuel; or

15 (iii) subject to the provisions of paragraph (2) of this subsection,
16 the propulsion tank of any special fuel powered motor vehicle used for business
17 purposes.

18 (2) In the case of the propulsion tank of a vehicle described in
19 paragraph (1)(iii) of this subsection, the [Comptroller] **SECRETARY** shall also have
20 access for inspection or drawing samples any time the vehicle is in operation.

21 (3) A denial of access by an agent, owner, or other person who operates
22 such a place, conveyance, or motor vehicle is prima facie evidence of a violation of this
23 title.

24 (e) (1) (i) The [Comptroller] **SECRETARY** may detain a motor vehicle,
25 vessel or railroad tank car placed on a customer's siding for use or storage for the
26 purpose of inspecting the vehicle's propulsion tanks.

27 (ii) The [Comptroller] **SECRETARY** may remove samples of
28 diesel fuel in reasonable quantities necessary to determine the composition of the fuel.

29 (2) The [Comptroller] **SECRETARY** may inspect and issue citations to
30 operators of motor vehicles for violations of this subtitle at sites where fuel is, or may
31 be, produced, stored, or loaded into or consumed by motor vehicles including:

- 1 (i) a terminal;
- 2 (ii) a fuel storage facility or bulk storage facility that is not a
3 terminal;
- 4 (iii) a retail fuel facility;
- 5 (iv) a highway rest stop; and
- 6 (v) a highway inspection station, weigh station, mobile
7 inspection station, or other similar location designated by the [Comptroller]
8 **SECRETARY**.

9 10–202.

10 (a) The [Comptroller] **SECRETARY** may adopt regulations necessary to
11 administer and enforce this title.

12 (b) The [Comptroller] **SECRETARY** shall adopt regulations to:

13 (1) set minimum specifications for motor fuel marketed in the State
14 consistent with the general practices of other states and the petroleum industry;

15 (2) specify the information to be included on each loading ticket or
16 manifest; and

17 (3) specify the form of identification markers for vehicles and the
18 method of annual validation of the markers.

19 10–203.

20 (a) The [Comptroller] **SECRETARY** periodically shall collect or cause to be
21 collected and cause to be analyzed samples of all motor fuel that is:

22 (1) subject to regulation under this title; and

23 (2) stored and offered for sale in the State.

24 (b) The [Comptroller] **SECRETARY** shall conduct inspections as provided in
25 a memorandum of understanding on behalf of and in coordination with other agencies
26 when collecting motor fuel samples under this section.

27 10–204.

28 If the [Comptroller] **SECRETARY** finds that a person is willfully marketing in
29 the State motor fuel regulated by this title that does not meet minimum specifications

1 set by the [Comptroller] **SECRETARY** or otherwise willfully marketing motor fuel in
2 violation of this title or the Tax – General Article or any regulation adopted under this
3 title or the Tax – General Article, the [Comptroller] **SECRETARY**:

4 (1) shall order the person to stop the violation, including any sale or
5 distribution; and

6 (2) if the violation continues, shall sue for an injunction to stop the
7 violation.

8 10–205.

9 (a) Except as provided in subsection (b) of this section, the [Comptroller]
10 **SECRETARY** need not analyze, collect, inspect, or set minimum specifications for
11 liquefied petroleum gas.

12 10–302.

13 (b) The analysis shall be made by a testing method approved by the
14 [Comptroller] **SECRETARY**.

15 10–303.

16 (a) Before storing or selling motor fuel in the State, a person or
17 governmental unit shall register with the [Comptroller] **SECRETARY**.

18 (c) An applicant for registration shall submit to the [Comptroller]
19 **SECRETARY** in the form that the [Comptroller] **SECRETARY** requires:

20 (1) a statement that the applicant intends to store or sell motor fuel in
21 the State;

22 (2) a statement that the motor fuel, as supplied or bought from the
23 supplier, conforms to the specifications set by the [Comptroller] **SECRETARY**;

24 (3) the brand, type, and grade of the motor fuel to be stored or sold;

25 (4) the name and address of the supplier;

26 (5) if applicable, the number of retail nozzles by type of motor fuel;

27 (6) the legal business name and federal identification number of the
28 applicant; and

29 (7) the address of the location where the motor fuel will be stored or
30 sold.

1 (d) (1) The [Comptroller] **SECRETARY** shall issue a certificate of
2 registration to each applicant who meets the requirements of this section.

3 (2) The [Comptroller] **SECRETARY** shall set the form of the certificate
4 of registration.

5 (h) The [Comptroller] **SECRETARY** may waive this section only when
6 consumers in the State otherwise would be subject to extreme hardship during an
7 emergency or civil disturbance.

8 10-304.

9 (a) The [Comptroller] **SECRETARY** may not issue a certificate of registration
10 to a retail service station dealer who markets motor fuel through a retail service
11 station altered, enlarged, or structurally modified after July 1, 1977, unless:

12 (1) the station contains an enclosed work area where the service of
13 motor vehicles is offered to customers regardless of whether motor fuel is bought; and

14 (2) the services offered include a battery charge, lubrication, oil
15 change, tire repair, and replacement of accessories such as fan belts, radiator hoses, or
16 wiper blades.

17 (b) Notwithstanding subsection (a) of this section, the [Comptroller]
18 **SECRETARY** may issue a certificate of registration to a retail service station dealer
19 who markets motor fuel through:

20 (1) a retail service station that, before it is altered, enlarged, or
21 structurally modified, lacks an enclosed work area; or

22 (2) a retail service station that is altered, enlarged, or structurally
23 modified if the owner and retail service station dealer agree to the elimination of an
24 enclosed work area.

25 10-304.1.

26 (c) If the [Comptroller] **SECRETARY** receives a complaint in writing that a
27 retail service station dealer is selling motor fuel below cost, the [Comptroller]
28 **SECRETARY** shall investigate and determine within 3 business days of the receipt of
29 the complaint whether the allegations contained in the complaint are true.

30 (d) The [Comptroller] **SECRETARY** shall issue a stop sale notice and may
31 suspend or revoke the certificate of registration of a retail service station dealer if the
32 [Comptroller] **SECRETARY** determines that the retail service station dealer is in
33 violation of this section.

1 10-305.

2 (a) (1) Each dealer, manufacturer, refiner, or special fuel seller who
3 imports motor fuel into the State shall submit to the [Comptroller] **SECRETARY**
4 refinery specifications, including additive specifications, without regard to where the
5 additives become part of the motor fuel.

6 (2) The [Comptroller] **SECRETARY** may waive this section only when
7 consumers in the State otherwise would be subject to extreme hardship during an
8 emergency or civil disturbance.

9 (b) (1) When submitting refinery specifications, a dealer, manufacturer,
10 refiner, or special fuel seller, with the approval of the [Comptroller] **SECRETARY**, may
11 designate 1 or more components of the motor fuel, including an additive, as a trade
12 secret.

13 (2) In determining whether a component is a trade secret, the
14 [Comptroller] **SECRETARY** shall consider whether a chemist who uses modern
15 analytical techniques reasonably could be expected to identify the component.

16 (3) The [Comptroller] **SECRETARY** shall make every reasonable effort
17 to protect the trade secret.

18 10-306.

19 (a) Before selling motor fuel, each dealer, manufacturer, refiner, special fuel
20 seller, or person operating a facility where motor fuel is stored in bulk for further
21 distribution shall submit to the [Comptroller] **SECRETARY** for approval each terminal
22 agreement, each additive specification, and each refinery specification.

23 (b) Before selling motor fuel, each dealer, manufacturer, or refiner shall
24 submit to the [Comptroller] **SECRETARY** for approval each exchange agreement, each
25 additive specification, and each refinery specification.

26 (c) The [Comptroller] **SECRETARY** may waive this section only when
27 consumers in the State otherwise would be subject to extreme hardship during an
28 emergency or civil disturbance.

29 10-307.

30 An employee of the [Office of the Comptroller] **DEPARTMENT** may not divulge
31 an additive specification or a refinery specification.

32 10-308.

1 (a) Before making the first sale in the State of gasoline imported into the
2 State, the seller shall register with the [Comptroller] **SECRETARY** each additive
3 introduced into the gasoline after it was received in the State.

4 10-309.

5 (a) Before making the first sale in the State of special fuel imported into the
6 State, the seller shall register with the [Comptroller] **SECRETARY** each additive
7 introduced into the special fuel after it was received in the State.

8 (c) An additive may only be introduced into special fuel for resale or
9 distribution:

10 (1) by a special fuel seller; and

11 (2) in a manner set by regulation of the [Comptroller] **SECRETARY**.

12 10-310.

13 (a) Before making the first sale in the State of a fluid, material, or other
14 item, in a prepackaged form, imported into the State that purports to be a substitute
15 for or improver of motor fuel, the seller shall:

16 (1) submit the item to the [Comptroller] **SECRETARY** for inspection;

17 (2) label the item in a way that the [Comptroller] **SECRETARY**
18 approves; and

19 (3) obtain authorization for the sale from the [Comptroller]
20 **SECRETARY**.

21 (b) In addition to any other information that the [Comptroller] **SECRETARY**
22 requires, the seller shall submit to the [Comptroller] **SECRETARY**:

23 (1) the trade name, trademark, manufacturer, and place of
24 manufacture of the item;

25 (2) a quantitative analysis of the item;

26 (3) a copy of any patent for the item;

27 (4) proof of all claims made for the item;

28 (5) instructions for use, including dosage;

29 (6) an amount of the item sufficient to be analyzed; and

1 (7) the results of each applicable SAE or ASTM test made on the item.

2 (c) If a material change is made in an item authorized for sale under this
3 section, the item shall be resubmitted to the [Comptroller] **SECRETARY** for
4 authorization.

5 (d) The [Comptroller] **SECRETARY** shall order the removal from the State of
6 an unauthorized item offered for sale.

7 10–311.

8 (b) This section does not apply to facilities that an agricultural cooperative
9 association owns and operates if:

10 (2) the certification is submitted to the [Comptroller] **SECRETARY**
11 with the application for registration of a retail service station dealer under this
12 subtitle;

13 (d) If a dealer has previously operated a retail service station, the
14 [Comptroller] **SECRETARY** may adopt regulations that define the circumstances in
15 which a producer or refiner temporarily may operate the station.

16 10–314.

17 Each supplier of motor fuel to a retail service station dealer shall ensure that
18 the motor fuel meets specifications set by the [Comptroller] **SECRETARY**.

19 10–315.

20 (d) If the retail price of motor fuel is advertised on a sign or by other means
21 on the premises of and approaches to the retail outlet, the grade designation displayed
22 for any motor fuel in the advertisement shall be the same as the grade designation
23 that is required to be displayed for that motor fuel on the retail dispensing pump as
24 specified by the [Comptroller] **SECRETARY**.

25 10–316.

26 The [Comptroller] **SECRETARY** shall issue a stop sale notice if the
27 [Comptroller] **SECRETARY** finds that a person:

28 (1) stores or sells motor fuel from a location that does not have a valid
29 certificate of registration;

30 (2) willfully uses a motor fuel advertisement that is misleading;

1 (3) willfully markets motor fuel that has not been approved; or

2 (4) sells motor fuel below cost in violation of § 10-304.1 of this
3 subtitle.

4 10-317.

5 (a) The [Comptroller] **SECRETARY** may suspend or revoke a registration for
6 a violation of this subtitle, including the submission of a false statement, for a period
7 not exceeding 30 days.

8 (b) If the [Comptroller] **SECRETARY** finds that a person has willfully
9 altered, enlarged, or structurally modified a retail service station in violation of §
10 10-304 of this subtitle, the [Comptroller] **SECRETARY** may suspend or revoke the
11 registration until the violation is corrected.

12 10-318.

13 If, because of the marketing of an unapproved product, the [Comptroller]
14 **SECRETARY** under § 10-317 of this subtitle suspends or revokes the registration of a
15 retail service station dealer who is without fault, the supplier of the unapproved
16 product is liable in damages to the retail service station dealer in an amount equal to
17 the net operating loss sustained during the period of suspension or revocation.

18 10-323.1.

19 (b) Reporting shall be on a frequency established by the [Comptroller]
20 **SECRETARY** through regulations, but may not be more frequent than once per
21 calendar month.

22 (c) Reporting shall be on forms furnished by the [Comptroller] **SECRETARY**.

23 (d) Completed reports shall be forwarded to and be received by the
24 [Comptroller] **SECRETARY** within 15 calendar days of the end of the report period.

25 10-323.2.

26 (f) In addition to any other penalty provided by law, the [Comptroller]
27 **SECRETARY** may assess against any person that violates any provision of this section
28 dealing with the use, sale, transportation, or storage of dyed diesel fuel:

29 (1) for the first violation, a fine of \$1,000 or \$10 per gallon of dyed
30 diesel fuel involved in the violation, whichever amount is greater; and

1 (2) for a second or subsequent violation, a fine equal to the amount of
2 the penalty assessed under item (1) of this subsection for the first violation multiplied
3 by the total number of violations.

4 10-401.

5 (a) Each petroleum transporter shall register with the [Comptroller]
6 **SECRETARY** before transporting motor fuel to or from a place in the State.

7 (b) An applicant for registration shall submit to the [Comptroller]
8 **SECRETARY** an application on the form that the [Comptroller] **SECRETARY** requires.

9 (c) The [Comptroller] **SECRETARY** shall register and issue a letter of
10 registration to each applicant that meets the requirements of this subtitle.

11 (d) A petroleum transporter shall notify the [Comptroller] **SECRETARY** of
12 each change in registration information within 5 days of the change.

13 10-403.

14 Subject to the hearing provisions of § 10-404 of this subtitle, the [Comptroller]
15 **SECRETARY** may deny registration to an applicant, reprimand a registrant, or
16 suspend or revoke the registration of a petroleum transporter if the applicant or
17 registrant:

18 (1) fraudulently or deceptively obtains or attempts to obtain the
19 registration for the applicant or registrant or for another person;

20 (2) fraudulently or deceptively uses the registration;

21 (3) fails to submit a report required under § 10-410 of this subtitle;

22 (4) submits false information in a report required under § 10-410 of
23 this subtitle; or

24 (5) violates this subtitle.

25 10-404.

26 (a) Except as otherwise provided in § 10-226 of the State Government
27 Article, before the [Comptroller] **SECRETARY** takes any final action under this
28 subtitle, the [Comptroller] **SECRETARY** shall give the person against whom the action
29 is contemplated an opportunity for a hearing before the Comptroller.

30 (b) The [Comptroller] **SECRETARY** shall give notice and hold the hearing in
31 accordance with Title 10, Subtitle 2 of the State Government Article.

1 (c) The [Comptroller] **SECRETARY** may administer oaths in connection with
2 a proceeding under this section.

3 (d) If, after due notice, the person against whom the action is contemplated
4 does not appear, nevertheless the [Comptroller] **SECRETARY** may hear and determine
5 the matter.

6 10-405.

7 A party to a proceeding before the [Comptroller] **SECRETARY** who is aggrieved
8 by a final decision of the [Comptroller] **SECRETARY** in a contested case, as defined in
9 § 10-202 of the State Government Article, may take an appeal as allowed in §§ 10-222
10 and 10-223 of the State Government Article.

11 10-406.

12 (a) Each vehicle used to transport motor fuel shall be identified on the tank
13 part of the vehicle or another location acceptable to the [Comptroller] **SECRETARY**
14 with the name of the petroleum transporter who is registered under this subtitle.

15 10-408.

16 Each petroleum transporter:

17 (2) if such a certificate is unavailable, shall get and keep for inspection
18 at the request of the [Comptroller] **SECRETARY** a certificate from a governmental
19 unit or professional engineer.

20 10-410.

21 Each petroleum transporter required by regulation to report to the
22 [Comptroller] **SECRETARY** shall:

23 (1) report monthly on the form required by the [Comptroller]
24 **SECRETARY** all motor fuel that the petroleum transporter imports into or exports
25 from the State;

26 (2) keep for 2 years a record of each interstate and each intrastate
27 shipment of motor fuel;

28 (3) on request, provide these records to the [Comptroller]
29 **SECRETARY**; and

30 (4) report immediately to the [Comptroller] **SECRETARY** the loss of
31 any motor fuel, unless the loss is due to:

1 (i) temperature correction; or

2 (ii) a spill that is reported to another State unit.

3 10–503.

4 (d) The [Comptroller] **SECRETARY**, in consultation with the Washington,
5 Maryland, Delaware Service Station and Automotive Repair Association, shall adopt
6 guidelines for the design of a sign required under this section.

7 16–102.

8 The [Comptroller] **SECRETARY** may delegate any power or duty of the
9 [Comptroller] **SECRETARY** under this title.

10 16–201.

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

12 (b) “License” means:

13 (1) a license issued by the [Comptroller] **SECRETARY** under §
14 16–205(a) of this subtitle to:

15 (i) act as a manufacturer;

16 (ii) act as a subwholesaler;

17 (iii) act as a vending machine operator;

18 (iv) act as a wholesaler; or

19 (v) act as a storage warehouse; or

20 (2) a license issued by the clerk under § 16–205(b) of this subtitle to
21 act as a retailer.

22 (c) “Licensed manufacturer” means a person licensed by the [Comptroller]
23 **SECRETARY** under § 16–205(a) of this subtitle to act as a manufacturer.

24 (e) “Licensed storage warehouse” means a facility licensed by the
25 [Comptroller] **SECRETARY** under § 16–205(a) of this subtitle to act as a storage
26 warehouse.

1 (f) “Licensed subwholesaler” means a person licensed by the [Comptroller]
2 **SECRETARY** under § 16–205(a) of this subtitle to act as a subwholesaler.

3 (g) “Licensed vending machine operator” means a person licensed by the
4 [Comptroller] **SECRETARY** under § 16–205(a) of this subtitle to act as a vending
5 machine operator.

6 (h) “Licensed wholesaler” means a person licensed by the [Comptroller]
7 **SECRETARY** under § 16–205(a) of this subtitle to act as a wholesaler.

8 16–204.

9 (a) An applicant for a license to act as a manufacturer shall:

10 (1) submit an application to the [Comptroller] **SECRETARY** on the
11 form and containing the information that the [Comptroller] **SECRETARY** requires;
12 and

13 (2) pay to the [Comptroller] **SECRETARY** a fee of \$25.

14 (b) (2) The application shall:

15 (i) be made on the form that the clerk requires; and

16 (ii) contain the information that the [Comptroller] **SECRETARY**
17 requires.

18 (c) An applicant for a license to act as a storage warehouse shall:

19 (1) submit an application to the [Comptroller] **SECRETARY** on the
20 form and containing the information that the [Comptroller] **SECRETARY** requires;
21 and

22 (2) pay to the [Comptroller] **SECRETARY** a fee of \$25.

23 (d) An applicant for a license to act as a subwholesaler shall:

24 (1) submit an application to the [Comptroller] **SECRETARY** on the
25 form and containing the information that the [Comptroller] **SECRETARY** requires;
26 and

27 (2) pay to the [Comptroller] **SECRETARY** a fee of:

28 (i) \$500 for a 1–year term; or

1 (ii) the amount that results when \$500 is prorated to the
2 nearest month, if the application is for less than a 1-year term.

3 (e) An applicant for a license to act as a vending machine operator shall:

4 (1) obtain the county license required under § 16-301 of this title;

5 (2) submit an application to the [Comptroller] **SECRETARY** on the
6 form and containing the information that the [Comptroller] **SECRETARY** requires;
7 and

8 (3) pay to the [Comptroller] **SECRETARY** a fee of \$500.

9 (f) An applicant for a license to act as a wholesaler shall:

10 (1) submit an application to the [Comptroller] **SECRETARY** on the
11 form and containing the information that the [Comptroller] **SECRETARY** requires;
12 and

13 (2) pay to the [Comptroller] **SECRETARY** a fee of \$750.

14 (h) (1) In addition to the license fee otherwise required under this section:

15 (i) an applicant for the initial issuance of a license issued by the
16 [Comptroller] **SECRETARY** under this title shall pay to the [Comptroller]
17 **SECRETARY** a nonrefundable application fee of \$200; and

18 (ii) an applicant for renewal of a license issued by the
19 [Comptroller] **SECRETARY** under this title shall pay to the [Comptroller]
20 **SECRETARY** a renewal fee of \$30.

21 16-205.

22 (a) The [Comptroller] **SECRETARY** shall issue an appropriate license to each
23 applicant who meets the requirements of this subtitle for a license to act as a
24 manufacturer, storage warehouse, subwholesaler, vending machine operator, or
25 wholesaler.

26 16-206.

27 (a) A manufacturer license authorizes the licensee to:

28 (4) upon approval of the [Comptroller] **SECRETARY**, act as an agent
29 of a Maryland licensed wholesaler for stamping and distribution of cigarettes.

30 (f) A wholesaler license authorizes the licensee to:

1 (6) sell unstamped cigarettes to another licensed wholesaler if the
2 **[Comptroller] SECRETARY** specifically authorizes;

3 (7) upon approval of the **[Comptroller] SECRETARY**, designate a
4 licensed manufacturer to act as its agent for the stamping and distribution of
5 cigarettes; and

6 16–208.

7 (a) (2) If a licensed subwholesaler or licensed wholesaler sells the
8 licensee’s cigarette business and pays to the **[Comptroller] SECRETARY** a license
9 assignment fee of \$10, the licensee may assign the license to the buyer of the business.

10 (b) If the cigarette business of a licensee is transferred because of
11 bankruptcy, death, incompetency, receivership, or otherwise by operation of law, the
12 **[Comptroller] SECRETARY** shall transfer the license without charge to the new owner
13 of the licensee’s business.

14 (c) (1) If a licensed subwholesaler or licensed wholesaler surrenders the
15 license to the **[Comptroller] SECRETARY** and if no disciplinary proceedings are
16 pending against the licensee, the **[Comptroller] SECRETARY** shall refund a pro rata
17 part of the license fee for the unexpired term of the license.

18 16–209.

19 (a) A licensee shall display a license in the way that the **[Comptroller]**
20 **SECRETARY** requires by regulation.

21 (b) A licensee who sells cigarettes through a vending machine:

22 (2) in the way that the **[Comptroller] SECRETARY** requires by
23 regulation, shall:

24 (i) identify each vending machine with a conspicuous label that
25 states the licensee’s name, address, and telephone number; and

26 (ii) display on a conspicuous label applicable prohibitions and
27 penalties under § 10–107 of the Criminal Law Article.

28 16–210.

29 (a) Subject to the hearing provisions of § 16–211 of this subtitle, the
30 **[Comptroller] SECRETARY** may deny a license to an applicant, reprimand a licensee,
31 or suspend or revoke a license if the applicant or licensee:

1 (1) fraudulently or deceptively obtains or attempts to obtain a license
2 for the applicant or licensee or for another person;

3 (2) fraudulently or deceptively uses a license;

4 (3) fails to comply with the Maryland Cigarette Sales Below Cost Act
5 or regulations adopted under that Act;

6 (4) fails to comply with the provisions of Title 11, Subtitle 5A of the
7 Commercial Law Article;

8 (5) buys cigarettes for resale:

9 (i) in violation of a license; or

10 (ii) from a person who is not a licensed cigarette manufacturer,
11 licensed subwholesaler, licensed vending machine operator, or licensed wholesaler;

12 (6) is convicted, under the laws of the United States or of any other
13 state, of:

14 (i) a felony; or

15 (ii) a misdemeanor that is a crime of moral turpitude and is
16 directly related to the fitness and qualification of the applicant or licensee; or

17 (7) has not paid a tax due before October 1 of the year after the tax
18 became due.

19 (b) Subject to the hearing provisions of § 16–211 of this subtitle, the
20 [Comptroller] **SECRETARY** may suspend or revoke a license if the licensee violates:

21 (1) Title 12 of the Tax – General Article, or regulations adopted under
22 that title; or

23 (2) this title or regulations adopted under this title.

24 (c) Subject to the hearing provisions of § 16–211 of this subtitle, the
25 [Comptroller] **SECRETARY** shall deny a license to any applicant who has had a license
26 revoked under this section until:

27 (1) 1 year has passed since the license was revoked; and

28 (2) it satisfactorily appears to the [Comptroller] **SECRETARY** that the
29 applicant will comply with this title and any regulations adopted under this title.

1 (d) Prior to the issuance or renewal of any license, the [Comptroller]
2 **SECRETARY** shall conduct an investigation with regard to:

- 3 (1) the applicant;
- 4 (2) the business to be operated; and
- 5 (3) the facts set forth in the application.

6 16–211.

7 (a) Except as otherwise provided in § 10–226 of the State Government
8 Article, before the [Comptroller] **SECRETARY** takes any final action under § 16–210 of
9 this subtitle, the [Comptroller] **SECRETARY** shall give the person against whom the
10 action is contemplated an opportunity for a hearing before the [Comptroller]
11 **SECRETARY**.

12 (b) The [Comptroller] **SECRETARY** shall give notice and hold the hearing in
13 accordance with Title 10, Subtitle 2 of the State Government Article.

14 (c) The [Comptroller] **SECRETARY** may administer oaths in a proceeding
15 under this section.

16 (d) The person against whom the action is contemplated may be represented
17 at the hearing by counsel.

18 (e) If, after due notice, the person against whom the action is contemplated
19 does not appear, nevertheless the [Comptroller] **SECRETARY** may hear and determine
20 the matter.

21 16–212.

22 (a) Subject to the notice requirement of subsection (c) of this section, if a
23 licensee engages in an act or omission that is a ground for discipline under § 16–210 of
24 this subtitle, the [Comptroller] **SECRETARY** may suspend the license for a consecutive
25 period that:

26 (1) for a first offense, is not less than 5 nor more than 20 business
27 days; or

28 (2) for a subsequent offense, is not less than 20 business days nor
29 more than 6 months.

30 (b) Subject to the notice requirement under subsection (c) of this section, the
31 [Comptroller] **SECRETARY** may revoke a license if a licensee:

1 (1) willfully and persistently engages in an act or omission that is a
2 ground for discipline under § 16–210(a) of this subtitle; or

3 (2) violates this title or Title 12 of the Tax – General Article, or
4 regulations adopted under these titles.

5 (c) If a license is suspended or revoked under this section:

6 (1) the [Comptroller] **SECRETARY** shall give the licensee notice of the
7 suspension or revocation; and

8 (2) the suspension or revocation may not take effect until at least 5
9 business days following notice of the suspension or revocation.

10 (d) The transfer, renewal, or expiration of a license will not bar or abate a
11 disciplinary action under this section.

12 (e) (1) Except for a violation of § 10–107 of the Criminal Law Article,
13 whenever any license issued under the provisions of this subtitle is suspended or
14 revoked by the [Comptroller] **SECRETARY**, the licensee may, before the effective date
15 of the suspension or revocation, petition the [Comptroller] **SECRETARY** for permission
16 to make an offer of compromise consisting of a sum of money in lieu of serving the
17 suspension or revocation.

18 (2) Money paid in lieu of suspension or revocation shall be paid into
19 the General Fund of the State.

20 (3) An offer of compromise shall not exceed \$2,000 in the case of retail
21 licensees, and shall not exceed \$50,000 for other licensees.

22 (4) The [Comptroller] **SECRETARY** may accept the offer of
23 compromise if:

24 (i) the public welfare and morals would not be impaired by
25 allowing the licensee to operate during the period set for the suspension or revocation;
26 and

27 (ii) the payment of the sum of money will achieve the desired
28 disciplinary purposes.

29 (5) The [Comptroller] **SECRETARY** may promulgate rules and
30 regulations necessary to carry out the purposes of this subsection.

31 16–213.

1 A party to a proceeding before the [Comptroller] **SECRETARY** who is aggrieved
2 by a final decision of the [Comptroller] **SECRETARY** in a contested case, as defined in
3 § 10–202 of the State Government Article, may take an appeal as allowed in §§ 10–222
4 and 10–223 of the State Government Article.

5 16–216.

6 (a) (1) **THE SECRETARY SHALL PAY TO THE COMPTROLLER ALL**
7 **LICENSE FEES COLLECTED UNDER THIS TITLE.**

8 (2) **FROM THE LICENSE FEES COLLECTED UNDER THIS TITLE,**
9 **THE COMPTROLLER SHALL DISTRIBUTE THE AMOUNT NECESSARY TO**
10 **ADMINISTER THIS TITLE TO THE BUSINESS REGULATION AND TAXATION FUND**
11 **UNDER § 2–204 OF THE BUSINESS REGULATION ARTICLE.**

12 (3) [The] **AFTER THE DISTRIBUTION UNDER PARAGRAPH (2) OF**
13 **THIS SUBSECTION, THE** Comptroller shall pay into the General Fund of the State
14 **[all] THE REMAINDER OF THE** license fees collected under this title.

15 16–218.

16 (c) Each subwholesaler and each wholesaler shall:

17 (1) keep the records required by this section for 6 years or for a shorter
18 time set by the [Comptroller] **SECRETARY**; and

19 (2) allow the [Comptroller] **SECRETARY** to examine the records.

20 16–219.

21 (b) The [Comptroller] **SECRETARY** by regulation may require a common
22 carrier that brings cigarettes into the State to submit to the [Comptroller]
23 **SECRETARY** a copy of any freight bill relating to the cigarette shipment.

24 16–220.

25 (a) The [Comptroller] **SECRETARY** shall seal a vending machine to prevent
26 the sale or removal of cigarettes from the machine if:

27 (1) a tax stamp is not visible on each visible package of cigarettes in
28 the machine, as required by § 16–209(b)(1) of this subtitle; or

29 (2) the machine is not labeled as required by § 16–209(b)(2) of this
30 subtitle.

1 (b) If the violation for which a vending machine is sealed has been corrected
2 in the presence of the [Comptroller] **SECRETARY** or the [Comptroller's]
3 **SECRETARY'S** designee, the [Comptroller] **SECRETARY** shall remove the seal.

4 16-221.

5 (a) Except as otherwise provided in § 16-220 of this subtitle, a person may
6 not remove or tamper with a seal placed on a vending machine by the [Comptroller]
7 **SECRETARY**.

8 16-222.

9 (c) A person who ships, imports, or sells cigarettes into or within this State
10 in violation of this section is subject to disciplinary action by the [Comptroller]
11 **SECRETARY** under § 16-210 of this subtitle and to the penalty specified in § 13-1015
12 of the Tax – General Article.

13 16-223.

14 (c) (1) A licensee who sells or ships cigarettes in violation of this section
15 or causes cigarettes to be shipped in violation of this section is:

16 (i) subject to discipline by the [Comptroller] **SECRETARY**
17 under § 16-210 of this subtitle; and

18 (ii) guilty of a felony and, on conviction, is subject to a fine not
19 exceeding \$50 for each carton of cigarettes transported or imprisonment not exceeding
20 2 years or both.

21 16-306.

22 Subject to the hearing provisions of § 16-307 of this subtitle, the [Comptroller]
23 **SECRETARY** may deny a county license to an applicant, reprimand a county licensee,
24 or suspend or revoke a county license if the applicant or licensee:

25 (1) fraudulently or deceptively obtains or attempts to obtain a license
26 for the applicant or licensee or for another person;

27 (2) fraudulently or deceptively uses a license; or

28 (3) fails to comply with the Maryland Cigarette Sales Below Cost Act
29 and regulations adopted under it.

30 16-307.

1 (a) Except as otherwise provided in § 10–226 of the State Government
2 Article, before the [Comptroller] **SECRETARY** takes any final action under § 16–306 of
3 this subtitle, the [Comptroller] **SECRETARY** shall give the person against whom the
4 action is contemplated an opportunity for a hearing before the [Comptroller]
5 **SECRETARY**.

6 (b) The [Comptroller] **SECRETARY** shall give notice and hold the hearing in
7 accordance with Title 10, Subtitle 2 of the State Government Article.

8 (c) The [Comptroller] **SECRETARY** may administer oaths in a proceeding
9 under this section.

10 (d) The person against whom the action is contemplated may be represented
11 at the hearing by counsel.

12 (e) If, after due notice, the person against whom the action is contemplated
13 does not appear, nevertheless the [Comptroller] **SECRETARY** may hear and determine
14 the matter.

15 16–3B–01.

16 (a) A person may not violate a regulation adopted by the [Comptroller]
17 **SECRETARY** that applies to a person who sells cigarettes at retail.

18 16–602.

19 (a) Except as provided in § 16–602.1 of this subtitle, cigarettes may not be
20 manufactured in this State or sold or offered for sale to any person in this State
21 unless:

22 (1) the cigarettes have been tested in accordance with the test method
23 and meet the performance standard specified in this section; and

24 (2) the manufacturer has filed a written certification with the
25 [Comptroller] **SECRETARY** in accordance with § 16–603 of this subtitle.

26 (c) (2) The [Comptroller] **SECRETARY**, in consultation with the
27 Commission, may adopt a subsequent ASTM standard test method for measuring the
28 ignition strength of cigarettes on a finding that the subsequent method does not result
29 in a change in the percentage of full-length burns exhibited by any tested cigarette
30 when compared to the percentage of full-length burns the same cigarette would
31 exhibit when tested in accordance with ASTM standard E2187–04 and the
32 performance standard of this section.

33 (g) (1) Each laboratory that conducts tests in accordance with this section
34 shall:

1 (i) have current accreditation pursuant to Standard ISO/IEC
2 17025 of the International Organization for Standardization, subsequent laboratory
3 standardization, or another comparable accreditation as determined by the
4 [Comptroller] **SECRETARY**; and

5 (ii) implement a quality control and quality assurance program
6 that includes a procedure to determine the repeatability of the testing results.

7 (2) The repeatability value shall be no greater than 0.19.

8 (i) (1) If the [Comptroller] **SECRETARY** determines that a cigarette
9 cannot be tested in accordance with the test method required by this section, the
10 manufacturer of the cigarette shall propose to the [Comptroller] **SECRETARY** a test
11 method and performance standard for that cigarette.

12 (2) The [Comptroller] **SECRETARY**, in consultation with the
13 Commission, may approve a test method and performance standard that the
14 Comptroller determines is equivalent to the requirements of this section, and the
15 manufacturer may use that test method and performance standard for certification of
16 a cigarette in accordance with § 16–603 of this subtitle.

17 (3) (i) The [Comptroller] **SECRETARY**, in consultation with the
18 Commission, shall approve a test method and performance standard used in another
19 state if the [Comptroller] **SECRETARY** determines that:

20 1. the other state has enacted a reduced cigarette
21 ignition propensity standard that includes a test method and performance standard
22 that are the same as the requirements of this section; and

23 2. the officials responsible for implementing the
24 requirements in the other state have approved of the alternative test method and
25 performance standard for a particular cigarette under a legal provision comparable to
26 this section.

27 (ii) A manufacturer may use a test method and performance
28 standard approved under subparagraph (i) of this paragraph for certification in
29 accordance with § 16–603 of this subtitle of the cigarette used in the approved test
30 method.

31 (k) (2) (i) On request, the manufacturer shall provide the data
32 retained under paragraph (1) of this subsection to the [Comptroller] **SECRETARY**, the
33 Commission, or the Attorney General within 60 days after receiving the request, for
34 the purpose of ensuring compliance with this section.

35 16–602.1.

1 (c) (1) (i) The manufacturer may submit to the [Comptroller]
2 **SECRETARY**, as “confidential under seal”, descriptors for each cigarette sold or
3 distributed for the purpose of consumer testing under subsection (b)(1) of this section.

4 (2) Notwithstanding any other provision of law, the information
5 submitted in accordance with paragraph (1) of this subsection:

6 (i) is not subject to disclosure under State law or discovery in
7 civil litigation; and

8 (ii) may be used by the [Comptroller] **SECRETARY** or the
9 Attorney General for the purpose of enforcing the provisions of this title.

10 16–603.

11 (a) (1) Each manufacturer shall submit to the [Comptroller] **SECRETARY**
12 written certification attesting that each cigarette has been tested in accordance with
13 and has met the performance standard required under § 16–602 of this subtitle.

14 (c) The certification shall be made available to:

15 (1) the Attorney General and the Commission for purposes consistent
16 with this subtitle; and

17 (2) the [Comptroller] **SECRETARY** for the purpose of ensuring
18 compliance with this section.

19 16–604.

20 (d) (1) A manufacturer shall request approval of a proposed marking from
21 the [Comptroller] **SECRETARY**.

22 (2) (i) The [Comptroller] **SECRETARY** shall approve a marking
23 specified in subsection (b)(1) of this section.

24 (ii) A marking is deemed approved if the [Comptroller]
25 **SECRETARY** fails to act within 10 business days after receiving a request for
26 approval.

27 (5) A marking or modified marking approved by the [Comptroller]
28 **SECRETARY** shall be applied uniformly on all brands marketed and on all packages,
29 including packs, cartons, and cases marketed by that manufacturer.

30 16–605.

1 (c) Each retailer, subwholesaler, vending machine operator, and wholesaler
2 shall allow the [Comptroller] **SECRETARY** or designee of the [Comptroller]
3 **SECRETARY** to inspect the markings on cigarette packaging at any time.

4 16–607.

5 The [Comptroller] **SECRETARY**:

6 (1) may adopt regulations necessary to carry out and administer this
7 subtitle;

8 (2) in consultation with the Commission, may adopt regulations for
9 the conduct of random inspections of retailers, subwholesalers, vending machine
10 operators, and wholesalers to ensure compliance with this subtitle; and

11 (3) may establish a \$250 fee for each certification required under §
12 16–603 of this subtitle to cover the expenses of administering this subtitle.

13 16–609.

14 (a) To enforce this subtitle:

15 (2) the Attorney General or the [Comptroller] **SECRETARY** may
16 examine the books, papers, invoices, and records of a person in possession, control, or
17 occupancy of a building, structure, or land where cigarettes are placed, stored, sold, or
18 offered for sale.

19 16.5–101.

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

21 (c) “License” means:

22 (1) a license issued by the [Comptroller] **SECRETARY** under §
23 16.5–204(a) of this title to:

24 (i) act as a licensed other tobacco products manufacturer;

25 (ii) act as an other tobacco products wholesaler; or

26 (iii) act as an other tobacco products storage warehouse; or

27 (2) a license issued by the clerk under § 16.5–204(b) of this title to act
28 as an other tobacco products retailer or a tobacconist.

1 (d) “Licensed other tobacco products manufacturer” means a person licensed
2 by the [Comptroller] **SECRETARY** under § 16.5–204(a) of this title who:

3 (1) manufactures or otherwise produces other tobacco products in the
4 State intended for sale in the State, including other tobacco products intended for sale
5 in the State through an importer; and

6 (2) (i) sells other tobacco products on which the tobacco tax has not
7 been paid to a licensed other tobacco products wholesaler in the State;

8 (ii) sells other tobacco products on which the tobacco tax has not
9 been paid and which may lawfully be sold in the State to a licensed other tobacco
10 products wholesaler located outside of the State;

11 (iii) unless otherwise prohibited or restricted under local law,
12 this article, or the Criminal Law Article, distributes sample other tobacco products to
13 consumers located in the State; or

14 (iv) stores other tobacco products in an other tobacco products
15 warehouse in the State for subsequent shipment to licensed wholesalers, federal
16 reservations, or persons outside of the State.

17 (f) “Licensed other tobacco products storage warehouse” means a facility
18 licensed by the [Comptroller] **SECRETARY** under § 16.5–204(a) of this title to act as
19 an other tobacco products storage warehouse.

20 (g) “Licensed other tobacco products wholesaler” means a person licensed by
21 the [Comptroller] **SECRETARY** under § 16.5–204(a) of this title to act as an other
22 tobacco products wholesaler.

23 (p) “Premium cigars” means cigars that:

24 (1) have hand-rolled wrappers made from whole tobacco leaves where
25 the filler, binder, and wrapper are made of all tobacco, and may include adhesives or
26 other materials used to maintain size, texture, or flavor; or

27 (2) are designated as premium cigars by the [Comptroller]
28 **SECRETARY** by regulation.

29 16.5–102.

30 The [Comptroller] **SECRETARY** may delegate any power or duty of the
31 [Comptroller] **SECRETARY** under this title.

32 16.5–203.

1 (a) An applicant for a license to act as a licensed other tobacco products
2 manufacturer shall:

3 (1) submit an application to the [Comptroller] **SECRETARY** on the
4 form and containing the information that the [Comptroller] **SECRETARY** requires;
5 and

6 (2) pay to the [Comptroller] **SECRETARY** a fee of \$25.

7 (b) (3) The application shall:

8 (i) be made on the form that the clerk requires; and

9 (ii) contain the information that the [Comptroller] **SECRETARY**
10 requires.

11 (c) An applicant for a license to act as an other tobacco products storage
12 warehouse shall:

13 (1) submit an application to the [Comptroller] **SECRETARY** on the
14 form and containing the information that the [Comptroller] **SECRETARY** requires;
15 and

16 (2) pay to the [Comptroller] **SECRETARY** a fee of \$25.

17 (d) (1) An applicant for a license to act as an other tobacco products
18 wholesaler shall:

19 (i) submit an application to the [Comptroller] **SECRETARY** on
20 the form and containing the information that the [Comptroller] **SECRETARY** requires;
21 and

22 (ii) except as provided in paragraph (2) of this subsection, pay to
23 the [Comptroller] **SECRETARY** a fee of \$250.

24 (2) A person who has a license issued under Title 16 of this article to
25 act as a cigarette wholesaler is not required to pay the license fee.

26 (e) A licensee shall display a license in the way that the [Comptroller]
27 **SECRETARY** requires by regulation.

28 16.5–204.

29 (a) The [Comptroller] **SECRETARY** shall issue an appropriate license to each
30 applicant who meets the requirements of this subtitle for a license to act as a licensed

1 other tobacco products manufacturer, other tobacco products storage warehouse, or
2 other tobacco products wholesaler.

3 16.5–205.

4 (a) An other tobacco products manufacturer may:

5 (5) on approval of the [Comptroller] **SECRETARY**, act as an agent of a
6 Maryland other tobacco products wholesaler for distribution of other tobacco products.

7 (d) An other tobacco products wholesaler license authorizes the licensee to:

8 (5) sell other tobacco products on which the tobacco tax has not been
9 paid to another licensed other tobacco products wholesaler if the [Comptroller]
10 **SECRETARY** specifically authorizes; and

11 16.5–207.

12 (a) (2) If a licensed other tobacco products wholesaler sells the licensee's
13 other tobacco products business and pays to the [Comptroller] **SECRETARY** a license
14 assignment fee of \$10, the licensee may assign the license to the buyer of the business,
15 if the buyer otherwise qualifies under this title for an other tobacco products
16 wholesaler's license.

17 (b) If the other tobacco products business of a licensee is transferred because
18 of bankruptcy, death, incompetency, receivership, or otherwise by operation of law, the
19 [Comptroller] **SECRETARY** shall transfer the license without charge to the new owner
20 of the licensee's business, if the transferee otherwise qualifies under this title for the
21 license being transferred.

22 (c) (1) If a licensed other tobacco products wholesaler surrenders the
23 license to the [Comptroller] **SECRETARY** and if no disciplinary proceedings are
24 pending against the licensee, the [Comptroller] **SECRETARY** shall refund a pro rata
25 part of the license fee for the unexpired term of the license.

26 16.5–208.

27 (a) Subject to the hearing provisions of § 16.5–209 of this subtitle, the
28 [Comptroller] **SECRETARY** may deny a license to an applicant, reprimand a licensee,
29 or suspend or revoke a license if the applicant or licensee:

30 (1) fraudulently or deceptively obtains or attempts to obtain a license
31 for the applicant or licensee or for another person;

32 (2) fraudulently or deceptively uses a license;

1 (3) buys other tobacco products for resale:

2 (i) in violation of a license; or

3 (ii) from a person who is not an other tobacco products
4 manufacturer or licensed other tobacco products wholesaler;

5 (4) is convicted, under the laws of the United States or of any other
6 state, of:

7 (i) a felony; or

8 (ii) a misdemeanor that is a crime of moral turpitude and is
9 directly related to the fitness and qualification of the applicant or licensee;

10 (5) violates Title 12 of the Tax – General Article or regulations
11 adopted under that title; or

12 (6) violates this title or Title 16 of this article or regulations adopted
13 under these titles.

14 (b) Subject to the hearing provisions of § 16.5–209 of this subtitle, the
15 [Comptroller] **SECRETARY** shall deny a license to any applicant who has had a license
16 revoked under this section until:

17 (1) 1 year has passed since the license was revoked; and

18 (2) it satisfactorily appears to the [Comptroller] **SECRETARY** that the
19 applicant will comply with this title and any regulations adopted under this title.

20 (c) Prior to the issuance or renewal of any license, the [Comptroller]
21 **SECRETARY** shall conduct an investigation with regard to:

22 (1) the applicant;

23 (2) the business to be operated; and

24 (3) the facts set forth in the application.

25 16.5–209.

26 (a) Except as otherwise provided in § 10–226 of the State Government
27 Article, before the [Comptroller] **SECRETARY** takes any final action under § 16.5–208
28 of this subtitle, the [Comptroller] **SECRETARY** shall give the person against whom the
29 action is contemplated an opportunity for a hearing before the [Comptroller]
30 **SECRETARY**.

1 (b) The [Comptroller] **SECRETARY** shall give notice and hold the hearing in
2 accordance with Title 10, Subtitle 2 of the State Government Article.

3 (c) The [Comptroller] **SECRETARY** may administer oaths in a proceeding
4 under this section.

5 (d) The person against whom the action is contemplated may be represented
6 at the hearing by counsel.

7 (e) If, after due notice, the person against whom the action is contemplated
8 does not appear, nevertheless the [Comptroller] **SECRETARY** may hear and determine
9 the matter.

10 16.5–210.

11 (a) Subject to the notice requirement of subsection (c) of this section, if a
12 licensee engages in an act or omission that is a ground for discipline under § 16.5–208
13 of this subtitle, the [Comptroller] **SECRETARY** may suspend the license for a
14 consecutive period that:

15 (1) for a first offense, is not less than 5 nor more than 20 business
16 days; or

17 (2) for a subsequent offense, is not less than 20 business days nor
18 more than 6 months.

19 (b) Subject to the notice requirement under subsection (c) of this section, the
20 [Comptroller] **SECRETARY** may revoke a license if a licensee:

21 (1) willfully and persistently engages in an act or omission that is a
22 ground for discipline under § 16.5–208(a) of this subtitle; or

23 (2) violates this title or Title 12 of the Tax – General Article or
24 regulations adopted under these titles.

25 (c) If a license is suspended or revoked under this section:

26 (1) the [Comptroller] **SECRETARY** shall give the licensee notice of the
27 suspension or revocation; and

28 (e) (1) Except for a violation of § 10–107 of the Criminal Law Article,
29 whenever any license issued under the provisions of this subtitle is suspended or
30 revoked by the [Comptroller] **SECRETARY**, the licensee may, before the effective date
31 of the suspension or revocation, petition the [Comptroller] **SECRETARY** for permission

1 to make an offer of compromise consisting of a sum of money in lieu of serving the
2 suspension or revocation.

3 (4) The [Comptroller] SECRETARY may accept the offer of
4 compromise if:

5 (i) the public welfare and morals would not be impaired by
6 allowing the licensee to operate during the period set for the suspension or revocation;
7 and

8 (ii) the payment of the sum of money will achieve the desired
9 disciplinary purposes.

10 (5) The [Comptroller] SECRETARY may adopt regulations to carry out
11 this subsection.

12 16.5–211.

13 A party to a proceeding before the [Comptroller] SECRETARY who is aggrieved
14 by a final decision of the [Comptroller] SECRETARY in a contested case, as defined in
15 § 10–202 of the State Government Article, is entitled to judicial review as provided in
16 §§ 10–222 and 10–223 of the State Government Article.

17 16.5–213.

18 (a) (1) **(I) THE SECRETARY SHALL PAY TO THE COMPTROLLER**
19 **ALL LICENSE FEES COLLECTED UNDER THIS TITLE.**

20 **(II) FROM THE LICENSE FEES COLLECTED UNDER THIS**
21 **TITLE, THE COMPTROLLER SHALL DISTRIBUTE THE AMOUNT NECESSARY TO**
22 **ADMINISTER THIS TITLE TO THE BUSINESS REGULATION AND TAXATION FUND**
23 **UNDER § 2–204 OF THE BUSINESS REGULATION ARTICLE.**

24 **(III) [The] AFTER THE DISTRIBUTION UNDER**
25 **SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE** Comptroller shall pay into the
26 General Fund of the State [all] **THE REMAINDER OF THE** license fees collected under
27 this title.

28 16.5–214.

29 (b) (1) Except as provided in paragraph (2) of this subsection, each other
30 tobacco products wholesaler shall make an inventory record each month of all other
31 tobacco products on the premises or under the control of the other tobacco products
32 wholesaler:

33 (i) at the beginning or end of the month; or

1 (ii) on another specific day of the month, if the other tobacco
2 products wholesaler finds it more practical to take inventory on that day and notifies
3 the [Comptroller] **SECRETARY** that inventory will be taken on that day.

4 (2) Other tobacco products transferred to retail stock by written
5 memorandum need not be included in the inventory record.

6 (c) Each other tobacco products wholesaler shall:

7 (1) keep the records required by this section for 6 years or for a shorter
8 time set by the [Comptroller] **SECRETARY**; and

9 (2) allow the [Comptroller] **SECRETARY** to examine the records.

10 16.5–215.

11 (b) The [Comptroller] **SECRETARY** by regulation may require a common
12 carrier that brings other tobacco products into the State to submit to the [Comptroller]
13 **SECRETARY** a copy of any freight bill relating to the other tobacco products shipment.

14 16.5–216.

15 (c) A person who ships, imports, or sells other tobacco products into or
16 within this State in violation of this section is subject to disciplinary action by the
17 [Comptroller] **SECRETARY** under § 16.5–208 of this subtitle and to the penalty
18 specified in § 13–1015 of the Tax – General Article.

19 16.5–217.

20 (c) (1) A licensee who sells or ships other tobacco products in violation of
21 this section or causes other tobacco products to be shipped in violation of this section
22 is:

23 (i) subject to discipline by the [Comptroller] **SECRETARY**
24 under § 16.5–208 of this subtitle; and

25 17–20A–02.

26 (a) (1) Before conducting business in the State, a transient vendor shall
27 obtain a transient vendor's license.

28 (2) The [Comptroller] **SECRETARY** may not issue a transient vendor's
29 license unless the transient vendor has a sales and use tax license and any necessary
30 trader's license and has paid all State taxes.

1 (3) An application for a transient vendor's license shall be in the form
2 and contain the information that the [Comptroller] **SECRETARY** requires by
3 regulation.

4 (4) A license required under this section shall be valid for not more
5 than 90 days.

6 (5) The [Comptroller] **SECRETARY** may not renew a license required
7 under this section unless the transient vendor has a sales and use tax license and any
8 necessary trader's license and has paid all State taxes.

9 (b) A transient vendor shall display the transient vendor's license at each
10 transient place of business.

11 (c) The transient vendor's license shall be on the form specified by the
12 [Comptroller] **SECRETARY**.

13 17-20A-03.

14 (a) The [Comptroller] **SECRETARY** may provide by regulation or may order
15 in an individual case that at least 10 days before entering the State to conduct
16 business, a transient vendor shall notify the [Comptroller] **SECRETARY**, in writing, of
17 the location or locations where it intends to conduct business and the date or dates on
18 which it intends to conduct business.

19 (b) While conducting business in the State, a transient vendor shall permit
20 the [Comptroller] **SECRETARY** to inspect:

21 (1) its sales records, including sales receipts and inventory or price
22 lists; and

23 (2) the goods offered for sale.

24 (c) Subject to the hearing provisions of subsection (d) of this section, the
25 [Comptroller] **SECRETARY** may suspend or revoke a license issued to a transient
26 vendor under this subtitle if the transient vendor:

27 (1) fails to notify the [Comptroller] **SECRETARY** as required under
28 subsection (a) of this section;

29 (2) provides false information to the [Comptroller] **SECRETARY**;

30 (3) fails to collect the sales and use tax on all sales as required under
31 Title 11 of the Tax – General Article; or

1 (4) otherwise fails to comply with the provisions of the sales and use
2 tax law or the provisions of this subtitle.

3 (d) (1) Except as otherwise provided in § 10–226 of the State Government
4 Article, before the [Comptroller] **SECRETARY** takes any final action under this
5 section, the [Comptroller] **SECRETARY** shall give the person against whom the action
6 is contemplated an opportunity for a hearing before the [Comptroller] **SECRETARY**.

7 (2) The [Comptroller] **SECRETARY** shall give notice and hold the
8 hearing in accordance with Title 10, Subtitle 2 of the State Government Article.

9 (3) The [Comptroller] **SECRETARY** may administer oaths in a
10 proceeding under this subsection.

11 (4) If, after due notice, the person against whom the action is
12 contemplated does not appear, nevertheless the [Comptroller] **SECRETARY** may hear
13 and determine the matter.

14 17–20A–04.

15 (a) (1) Subject to the hearing provisions of subsection (b) of this section, if
16 a transient vendor conducting business in the State fails to display a valid transient
17 vendor's license, the [Comptroller] **SECRETARY** may order an immediate stop sale
18 until a transient vendor's license is obtained or may order a law enforcement officer to
19 seize the goods that the transient vendor is offering or has offered for sale.

20 (2) Subject to the hearing provisions of subsection (b) of this section, if
21 a transient vendor sells or offers to sell goods in the State without stating and
22 charging the sales and use tax separately from the sale price as required under Title
23 11 of the Tax – General Article, the transient vendor's license is void and shall be
24 seized by the law enforcement officer and returned to the [Comptroller] **SECRETARY**,
25 and the provisions of paragraph (1) of this subsection apply.

26 (b) (1) The [Comptroller] **SECRETARY** may order summarily a stop sale
27 or a seizure of the transient vendor's goods or license if the [Comptroller]
28 **SECRETARY**:

29 (i) finds that the public health, safety, or welfare requires
30 emergency action; and

31 (ii) promptly gives the licensee:

32 1. written notice of the stop sale or seizure, the finding,
33 and the reasons that support the finding; and

34 2. an opportunity to be heard.

1 (2) (i) If the [Comptroller] **SECRETARY** finds that emergency
2 action is not necessary under paragraph (1) of this subsection, before the
3 [Comptroller] **SECRETARY** takes any final action under subsection (a) of this section,
4 the [Comptroller] **SECRETARY** shall give the person against whom the action is
5 contemplated an opportunity for a hearing before the [Comptroller] **SECRETARY**.

6 (ii) The [Comptroller] **SECRETARY** shall give notice and hold
7 the hearing in accordance with Title 10, Subtitle 2 of the State Government Article.

8 (iii) The [Comptroller] **SECRETARY** may administer oaths in a
9 proceeding under this subsection.

10 (iv) If, after due notice, the person against whom the action is
11 contemplated does not appear, nevertheless the [Comptroller] **SECRETARY** may hear
12 and determine the matter.

13 **Article – Courts and Judicial Proceedings**

14 5–523.

15 (a) In this section, [“Comptroller” means the Comptroller of the State]
16 **“SECRETARY” MEANS THE SECRETARY OF LABOR, LICENSING, AND**
17 **REGULATION.**

18 (b) If, in good faith and with reasonable grounds, the [Comptroller]
19 **SECRETARY** or a peace officer of the State seizes contraband property or a conveyance
20 used to transport contraband property under § 13–835 of the Tax – General Article,
21 the [Comptroller] **SECRETARY** or peace officer is not civilly or criminally liable for the
22 seizure.

23 **Article – Criminal Procedure**

24 2–101.

25 (c) “Police officer” means a person who in an official capacity is authorized by
26 law to make arrests and is:

27 (13) an authorized employee of the Field Enforcement Bureau [of the
28 Comptroller’s Office] **IN THE DEPARTMENT OF LABOR, LICENSING, AND**
29 **REGULATION;**

30 **Article – Health – General**

31 18–213.

1 (a) (3) “Law enforcement officer” means any person who, in an official
2 capacity, is authorized by law to make arrests and who is a member of one of the
3 following law enforcement agencies:

4 (ix) The Field Enforcement Bureau [of the Comptroller’s Office]
5 **IN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;**
6 18–213.2.

7 (a) (8) “Law enforcement officer” means any individual who, in an official
8 capacity, is authorized by law to make arrests and who is a member of one of the
9 following law enforcement agencies:

10 (ix) The Field Enforcement Bureau [of the Comptroller’s Office]
11 **IN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;** or

12 **Article – Public Safety**

13 3–101.

14 (e) (1) “Law enforcement officer” means an individual who:

15 (ii) is a member of one of the following law enforcement
16 agencies:

17 12. the Field Enforcement Bureau [of the Comptroller’s
18 Office] **IN THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION;**

19 **Article – State Personnel and Pensions**

20 8–301.

21 (a) Except as provided in subsection (b) of this section, in § 8–309 of this
22 subtitle, or otherwise by law, this subtitle applies to all employees over whom the
23 Secretary has authority to administer pay.

24 (b) This subtitle does not apply to a law enforcement employee of the Field
25 Enforcement Bureau [of the State Comptroller’s Office] **IN THE DEPARTMENT OF**
26 **LABOR, LICENSING, AND REGULATION.**

27 **Article – Tax – General**

28 1–101.

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

1 (e) (1) “Comptroller” means the Comptroller of the State.

2 (2) “Comptroller”, unless expressly provided otherwise, includes:

3 (i) an employee of the Comptroller acting within the scope of
4 employment; and

5 (ii) an agent or representative of the Comptroller acting within
6 the scope of the Comptroller’s authority.

7 **(T-1) (1) “SECRETARY” MEANS THE SECRETARY OF LABOR,**
8 **LICENSING, AND REGULATION.**

9 **(2) “SECRETARY”, UNLESS EXPRESSLY PROVIDED OTHERWISE,**
10 **INCLUDES:**

11 **(I) AN EMPLOYEE OF THE SECRETARY ACTING WITHIN THE**
12 **SCOPE OF EMPLOYMENT; AND**

13 **(II) AN AGENT OR A REPRESENTATIVE OF THE SECRETARY**
14 **ACTING WITHIN THE SCOPE OF THE SECRETARY’S AUTHORITY.**

15 2-102.

16 In addition to the duties set forth elsewhere in this article and in other articles
17 of the Code, the Comptroller shall administer the laws that relate to:

18 (1) the admissions and amusement tax;

19 [(2) the alcoholic beverage tax;

20 (3)] **(2)** the boxing and wrestling tax;

21 [(4)] **(3)** the income tax;

22 [(5)] **(4)** the Maryland estate tax;

23 [(6)] **(5)** the Maryland generation–skipping transfer tax;

24 [(7) the motor carrier tax;

25 (8) the motor fuel tax;

26 (9)] **(6)** the sales and use tax; **AND**

1 [(10)] (7) the savings and loan association franchise tax[; and
2 (11) the tobacco tax].

3 **2-102.1.**

4 **IN ADDITION TO THE DUTIES SET FORTH ELSEWHERE IN THIS ARTICLE**
5 **AND IN OTHER ARTICLES OF THE CODE, THE SECRETARY SHALL ADMINISTER**
6 **THE LAWS THAT RELATE TO:**

7 **(1) THE ALCOHOLIC BEVERAGE TAX;**

8 **(2) THE MOTOR CARRIER TAX;**

9 **(3) THE MOTOR FUEL TAX; AND**

10 **(4) THE TOBACCO TAX.**

11 **2-103.1.**

12 **THE SECRETARY SHALL ADOPT REGULATIONS TO ADMINISTER THE**
13 **PROVISIONS OF THE TAX LAWS LISTED IN § 2-102.1 OF THIS SUBTITLE.**

14 **2-104.1.**

15 **THE SECRETARY SHALL DESIGN THE RETURNS AND OTHER FORMS THAT,**
16 **ON COMPLETION, PROVIDE THE INFORMATION REQUIRED FOR THE**
17 **ADMINISTRATION OF THE TAX LAWS LISTED IN § 2-102.1 OF THIS SUBTITLE.**

18 2-105.

19 (a) The Comptroller shall design the license form required for[:

20 (1) the motor fuel tax laws; and

21 (2)] the sales and use tax laws.

22 (b) The Comptroller[:

23 (1)] shall determine[:

24 (i) the design of tax stamps and certificates required for the
25 alcoholic beverage tax and for the tobacco tax; and

1 (ii) the form of any [other] evidence of tax payment[; and

2 (2) may adopt any other method or device that the Comptroller
3 considers necessary to:

4 (i) prevent fraud or evasion of the alcoholic beverage tax; or

5 (ii) comply with any restrictions that the federal government
6 imposes on alcoholic beverages during a war or an emergency] **FOR PAYMENT OF A
7 TAX LISTED IN § 2-102 OF THIS SUBTITLE.**

8 [(c) The Comptroller:

9 (1) shall provide tax stamps and certificates to indicate that the
10 alcoholic beverage tax or tobacco tax has been paid; and

11 (2) may adopt reasonable regulations to prevent abuse but ensure the
12 adequate availability of tax stamps and certificates, including regulations that:

13 (i) limit excessive disbursement of tax stamps and certificates;
14 and

15 (ii) require proof of need for tax stamps and certificates.]

16 **2-105.1.**

17 **(A) THE SECRETARY SHALL DESIGN THE LICENSE FORM REQUIRED FOR**
18 **THE MOTOR FUEL TAX LAWS.**

19 **(B) THE SECRETARY:**

20 **(1) SHALL DETERMINE:**

21 **(I) THE DESIGN OF TAX STAMPS AND CERTIFICATES**
22 **REQUIRED FOR THE ALCOHOLIC BEVERAGE TAX AND FOR THE TOBACCO TAX;**
23 **AND**

24 **(II) THE FORM OF ANY OTHER EVIDENCE OF TAX PAYMENT**
25 **FOR THE TAXES LISTED IN § 2-102.1 OF THIS SUBTITLE; AND**

26 **(2) MAY ADOPT ANY OTHER METHOD OR DEVICE THAT THE**
27 **SECRETARY CONSIDERS NECESSARY TO:**

28 **(I) PREVENT FRAUD OR EVASION OF THE ALCOHOLIC**
29 **BEVERAGE TAX; OR**

1 **(II) COMPLY WITH ANY RESTRICTIONS THAT THE FEDERAL**
2 **GOVERNMENT IMPOSES ON ALCOHOLIC BEVERAGES DURING A WAR OR AN**
3 **EMERGENCY.**

4 **(C) THE SECRETARY:**

5 **(1) SHALL PROVIDE TAX STAMPS AND CERTIFICATES TO INDICATE**
6 **THAT THE ALCOHOLIC BEVERAGE TAX OR TOBACCO TAX HAS BEEN PAID; AND**

7 **(2) MAY ADOPT REASONABLE REGULATIONS TO PREVENT ABUSE**
8 **BUT ENSURE THE ADEQUATE AVAILABILITY OF TAX STAMPS AND CERTIFICATES,**
9 **INCLUDING REGULATIONS THAT:**

10 **(I) LIMIT EXCESSIVE DISBURSEMENT OF TAX STAMPS AND**
11 **CERTIFICATES; AND**

12 **(II) REQUIRE PROOF OF NEED FOR TAX STAMPS AND**
13 **CERTIFICATES.**

14 2-107.

15 (a) Authorized employees of the Field Enforcement Bureau of the
16 **[Comptroller's Office] DIVISION OF BUSINESS REGULATION AND TAXATION IN**
17 **THE DEPARTMENT OF LABOR, LICENSING, AND REGULATION:**

18 (1) shall be individuals who are sworn police officers; and

19 (2) have all the powers, duties, and responsibilities of a peace officer
20 for the purpose of enforcing the laws pertaining to:

21 (i) alcoholic beverage tax;

22 (ii) tobacco tax;

23 (iii) motor fuel tax;

24 (iv) motor carrier tax;

25 (v) motor fuel and lubricants; and

26 (vi) transient vendors within the meaning of Subtitle 20A of
27 Title 17 of the Business Regulation Article.

1 (b) (1) The Department of State Police shall help the Field Enforcement
2 Bureau in enforcing the motor carrier tax, motor fuel tax and motor fuel and
3 lubricants laws.

4 (2) The [Comptroller] **SECRETARY** shall pay the salaries and
5 expenses of all Department of State Police staff assigned to the Field Enforcement
6 Bureau.

7 (c) (1) (i) Except for the Sheriff, constables and bailiffs of Baltimore
8 County, each law enforcement officer shall enforce the alcoholic beverage tax and
9 tobacco tax laws.

10 (ii) A State's Attorney or other prosecutor may prosecute alleged
11 violations of the alcoholic beverage tax or tobacco tax laws.

12 (2) The Field Enforcement Bureau:

13 (i) shall advise a State's Attorney and law enforcement officers
14 about enforcement problems; and

15 (ii) otherwise may work cooperatively with law enforcement
16 officers and prosecutors to carry out the duties of the unit.

17 (3) This subsection does not restrict the appropriation of money by a
18 political subdivision of the State to aid in the enforcement of the alcoholic beverage tax
19 and tobacco tax laws.

20 (d) (1) Each unit of the State government shall cooperate with the
21 [Comptroller's Office] **DEPARTMENT OF LABOR, LICENSING, AND REGULATION** by
22 making available, on request, any information in the unit's possession as may be of
23 assistance in the administration and enforcement of the motor carrier tax, motor fuel
24 tax, and motor fuel and lubricants laws.

25 (2) The Field Enforcement Bureau shall cooperate with and help the
26 federal government, other states, and local governments and law enforcement
27 personnel of those jurisdictions to enforce the motor carrier tax, motor fuel tax, and
28 motor fuel and lubricants laws.

29 2-108.

30 If, in good faith and with reasonable grounds, the [Comptroller] **SECRETARY** or
31 a peace officer of the State seizes contraband property or a conveyance used to
32 transport contraband property under § 13-835 of this article, the [Comptroller]
33 **SECRETARY** or peace officer shall have the immunity from liability described under §
34 5-523 of the Courts and Judicial Proceedings Article.

35 2-301.

1 (a) **THE SECRETARY SHALL PAY ALL ALCOHOLIC BEVERAGE TAX**
2 **REVENUE TO THE COMPTROLLER.**

3 **(B)** From the alcoholic beverage tax revenue, the Comptroller shall distribute
4 the amount necessary to administer the alcoholic beverage tax laws to [an
5 administrative cost account] **THE BUSINESS REGULATION AND TAXATION FUND**
6 **UNDER § 2-204 OF THE BUSINESS REGULATION ARTICLE.**

7 **[(b)] (C)** After making the distribution required under subsection **[(a)] (B)**
8 of this section, the Comptroller shall distribute the remaining alcoholic beverage tax
9 revenue to the General Fund of the State.

10 2-302.

11 The Comptroller shall pay refunds relating to the alcoholic beverage tax from
12 the General Fund **ON CERTIFICATION BY THE SECRETARY.**

13 2-303.

14 The [Comptroller] **SECRETARY** shall distribute the proceeds from sales of
15 contraband alcoholic beverages and conveyances under § 13-841(a) of this article to
16 the General Fund.

17 2-1001.

18 **(A) THE SECRETARY SHALL PAY ALL MOTOR CARRIER TAX REVENUE**
19 **AND FEES COLLECTED UNDER TITLE 9 OF THIS ARTICLE TO THE**
20 **COMPTROLLER.**

21 **(B)** The Comptroller shall distribute the motor carrier tax revenue and fees
22 collected under Title 9 of this article to the Gasoline and Motor Vehicle Revenue
23 Account of the Transportation Trust Fund.

24 2-1002.

25 The Comptroller shall pay refunds relating to the motor carrier tax from motor
26 fuel tax revenue **ON CERTIFICATION BY THE SECRETARY.**

27 2-1101.

28 **(A) THE SECRETARY SHALL PAY ALL MOTOR FUEL TAX REVENUE AND**
29 **FEES COLLECTED UNDER TITLE 9 OF THIS ARTICLE TO THE COMPTROLLER.**

1 **(B)** From the motor fuel tax revenue the Comptroller shall distribute the
2 amount necessary to pay refunds relating to the motor fuel tax and the motor carrier
3 tax to a refund account.

4 **(C) THE COMPTROLLER SHALL PAY REFUNDS RELATING TO THE**
5 **MOTOR CARRIER TAX AND MOTOR FUEL TAX ON CERTIFICATION BY THE**
6 **SECRETARY.**

7 2–1102.

8 After making the distributions required under § 2–1101 of this subtitle, from
9 the remaining motor fuel tax revenue, the Comptroller shall distribute the amount
10 necessary to administer the Motor Fuel Tax Bureau of the [Regulatory and
11 Enforcement Division of the Comptroller’s Office to an administrative cost account]
12 **BUSINESS REGULATION AND TAXATION DIVISION OF THE DEPARTMENT OF**
13 **LABOR, LICENSING, AND REGULATION TO THE BUSINESS REGULATION AND**
14 **TAXATION FUND UNDER § 2–204 OF THE BUSINESS REGULATION ARTICLE.**

15 2–1601.

16 **(A) THE SECRETARY SHALL PAY TO THE COMPTROLLER ALL TOBACCO**
17 **TAX REVENUE.**

18 **(B)** From the tobacco tax revenue, the Comptroller shall distribute the
19 amount necessary to pay refunds relating to the tobacco tax to a refund account.

20 **(C) THE COMPTROLLER SHALL PAY REFUNDS RELATING TO THE**
21 **TOBACCO TAX ON CERTIFICATION BY THE SECRETARY.**

22 2–1602.

23 After making the distribution required under § 2–1601 of this subtitle, from the
24 remaining tobacco tax revenue the Comptroller shall distribute the amount necessary
25 to administer the tobacco tax laws to [an administrative cost account] **THE BUSINESS**
26 **REGULATION AND TAXATION FUND UNDER § 2–204 OF THE BUSINESS**
27 **REGULATION ARTICLE.**

28 5–101.

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

30 (m) “Tax stamp” means a device in the design and denomination that the
31 [Comptroller] **SECRETARY** authorizes for the purpose of being affixed to a container
32 of distilled spirits as evidence that the alcoholic beverage tax is paid.

1 5-102.

2 (b) A tax is imposed on each person who sells or consigns an alcoholic
3 beverage in the State from a jurisdiction outside the State, if the [Comptroller]
4 **SECRETARY** finds that, in connection with the solicitation, sale, and distribution of
5 alcoholic beverages, the jurisdiction:

6 (1) requires a tax, assessment, or charge that is greater for alcoholic
7 beverages consigned from a Maryland licensee or permit holder than the amount
8 required for alcoholic beverages consigned from a licensee or permit holder in another
9 jurisdiction; and

10 (2) discriminates in fact against the licensee or permit holder of the
11 State.

12 (c) (1) A county, municipal corporation, special taxing district, or other
13 political subdivision of the State may not impose a tax on any alcoholic beverage.

14 (2) The [Comptroller] **SECRETARY** may not impose the tax under
15 subsection (b) of this section on a person who has distillery plants in this and another
16 state.

17 5-104.

18 (b) (2) A person under paragraph (1) of this subsection who pays the
19 alcoholic beverage tax may obtain the exemption by filing a claim for refund with the
20 [Comptroller] **SECRETARY**.

21 (c) (2) A consumer under paragraph (1)(iii) of this subsection may obtain
22 the exemption for the 1st quart by:

23 (i) filing an application with the [Comptroller] **SECRETARY** on
24 the form the [Comptroller] **SECRETARY** requires; and

25 (ii) paying the alcoholic beverage tax on the quantity of alcoholic
26 beverages that exceeds 1 quart.

27 5-201.

28 (a) A person who holds a Class E, F, or G alcoholic beverage license shall
29 complete, under oath, and file with the [Comptroller] **SECRETARY** an alcoholic
30 beverage tax return:

31 (1) on or before the 25th day of the month that follows the month in
32 which the person sells any alcoholic beverage within the boundaries of the State; and

1 (2) if the [Comptroller] **SECRETARY** so specifies, by regulation, on
2 other dates for each month in which the licensee does not sell any alcoholic beverages
3 in the State.

4 (b) Each manufacturer and each wholesaler shall complete, under oath, and
5 file with the [Comptroller] **SECRETARY** an alcoholic beverage tax return:

6 (1) on or before the 10th day of the month that follows the month in
7 which:

8 (i) the manufacturer or wholesaler sells or delivers any
9 alcoholic beverage in the State;

10 (ii) a manufacturer that brews malt beverages, under a Class 6
11 pub-brewery license, transfers the malt beverages for consumption on the restaurant
12 premises in accordance with federal alcohol tax laws and regulations; or

13 (iii) a manufacturer that brews malt beverages, under a Class 7
14 micro-brewery license, transfers the malt beverages for consumption off the
15 micro-brewery licensed premises in accordance with federal alcohol tax laws and
16 regulations; and

17 (2) if the [Comptroller] **SECRETARY** so specifies, by regulation, on
18 other dates for each month in which the manufacturer or wholesaler does not sell,
19 deliver, or transfer any alcoholic beverage in the State.

20 (c) A nonresident dealer shall complete, under oath, and file with the
21 [Comptroller] **SECRETARY** an alcoholic beverage tax return:

22 (1) on or before the 15th day of the month that follows the month in
23 which the nonresident dealer delivers beer into the State; and

24 (2) if the [Comptroller] **SECRETARY** so specifies, by regulation, on
25 other dates for each month in which the nonresident dealer does not deliver beer into
26 the State.

27 (d) A person who is a direct wine shipper shall file with the [Office of the
28 Comptroller] **SECRETARY** a quarterly tax return.

29 (e) A resident dealer shall complete, under oath, and file with the
30 [Comptroller] **SECRETARY** an alcoholic beverage tax return:

31 (1) on or before the 15th day of the month that follows the month in
32 which the resident dealer delivers beer into the State; and

1 (2) if the [Comptroller] **SECRETARY** so specifies, by regulation, on
2 other dates for each month in which the resident dealer does not deliver beer into the
3 State.

4 5–301.

5 (a) A person who, under a Class E, F, or G alcoholic beverage license, sells or
6 delivers any alcoholic beverages within the boundaries of the State shall pay the
7 alcoholic beverage tax on those alcoholic beverages, in the manner that the
8 [Comptroller] **SECRETARY** requires, with the return that covers the period in which
9 the person sells or delivers those alcoholic beverages.

10 (b) (1) A manufacturer that, under an alcoholic beverage license as a
11 winery or limited winery, sells or delivers wine to retail dealers or to consumers in the
12 State shall pay the alcoholic beverage tax on that wine, in the manner that the
13 [Comptroller] **SECRETARY** requires, with the return that covers the period in which
14 the manufacturer sells or delivers that wine.

15 (2) A manufacturer that sells, to wholesalers or retail dealers for
16 consumption in the State, beer on which the alcoholic beverage tax was not paid before
17 the beer was delivered into the State shall pay the alcoholic beverage tax on that beer,
18 in the manner that the [Comptroller] **SECRETARY** requires, with the return that
19 covers the period in which the manufacturer sells that beer.

20 (3) A manufacturer that, under a Class 6 pub–brewery license, brews
21 and transfers malt beverages for consumption on restaurant premises in the State
22 shall pay the alcoholic beverage tax on that malt beverage, in the manner that the
23 [Comptroller] **SECRETARY** requires, with the return that covers the period in which
24 the manufacturer transfers that malt beverage.

25 (4) A manufacturer that, under a Class 7 micro–brewery license,
26 brews and transfers malt beverages for consumption off the micro–brewery licensed
27 premises in the State shall pay the alcoholic beverage tax on that malt beverage, in
28 the manner that the [Comptroller] **SECRETARY** requires, with the return that covers
29 the period in which the manufacturer transfers that malt beverage.

30 (c) A person who holds a nonresident winery permit under Article 2B, §
31 2–101(v) of the Code that sells or delivers wine to retail dealers in the State shall pay
32 the alcoholic beverage tax on that wine, in the manner that the [Comptroller]
33 **SECRETARY** requires, with the return that covers the period in which the wine
34 manufacturer who holds a nonresident winery permit sells or delivers that wine.

35 (d) Before a nonresident dealer delivers or ships beer to a wholesaler in the
36 State, the nonresident dealer shall pay the alcoholic beverage tax on that beer, in the
37 manner that the [Comptroller] **SECRETARY** requires.

1 (e) Before a resident dealer delivers or ships beer to a wholesaler in the
2 State, the resident dealer shall pay the alcoholic beverage tax on that beer, in the
3 manner that the [Comptroller] **SECRETARY** requires.

4 (f) (1) A wholesaler that sells or delivers distilled spirits or wine to retail
5 dealers in the State shall pay the alcoholic beverage tax on those distilled spirits and
6 wine, in the manner that the [Comptroller] **SECRETARY** requires, with the return
7 that covers the period in which the wholesaler sells or delivers those distilled spirits
8 and wine.

9 (2) A wholesaler that imports beer directly from a place outside the
10 United States shall pay the alcoholic beverage tax on that beer, in the manner that the
11 [Comptroller] **SECRETARY** requires, before the wholesaler receives that beer in the
12 State.

13 (g) A person who pays the alcoholic beverage tax shall obtain:

14 (1) tax stamps or certificates if required for distilled spirits under §
15 5–303 of this subtitle; or

16 (2) any other evidence of tax payment that the [Comptroller]
17 **SECRETARY** requires by regulation.

18 5–303.

19 (a) For a container of distilled spirits that is one-half pint or larger, the
20 alcoholic beverage tax shall be paid by the purchase of tax stamps from the
21 [Comptroller] **SECRETARY** or by an alternate method approved by the [Comptroller]
22 **SECRETARY**, in the manner and at the time that the [Comptroller] **SECRETARY**
23 requires by regulation.

24 (c) The [Comptroller] **SECRETARY** may allow tax stamps to be bought on a
25 credit basis.

26 (d) A manufacturer or wholesaler who obtains tax stamps:

27 (1) is responsible to the [Comptroller] **SECRETARY** for the tax
28 stamps; and

29 (2) is required to pay the value of the tax stamps whether they are
30 used, lost, or, unless proof of destruction is made to the [Comptroller] **SECRETARY**,
31 destroyed.

32 9–205.

1 (a) (1) The [Comptroller] **SECRETARY** may enter into reciprocal
2 agreements on behalf of this State, with the duly authorized representatives of any
3 other state, that provide for:

4 (i) fuel tax registration of vehicles by motor carriers;

5 (ii) establishment of periodic fuel use reporting and fuel use tax
6 payment requirements by motor carriers; and

7 (iii) disbursement of money that is collected by the [Comptroller]
8 **SECRETARY** and is due to other states based on:

9 1. mileage travelled and fuel used in those states; and

10 2. the respective registration fees of those states.

11 (2) The [Comptroller] **SECRETARY** may not enter into any reciprocal
12 agreement that would affect:

13 (i) this State's motor carrier tax rate; or

14 (ii) this State's registration fee for motor carriers.

15 (b) In exercising the authority granted under subsection (a) of this section,
16 the [Comptroller] **SECRETARY** is expressly authorized to:

17 (1) enter into regional or national fuel use tax agreements;

18 (2) become a member of any regional or national conference, group,
19 compact, or similar organization of motor carrier fuel use tax administrators; and

20 (3) enforce the provisions set forth in any regional or national fuel use
21 tax agreements.

22 9–207.

23 (a) Except as provided in § 9–208 of this subtitle, each motor carrier shall:

24 (1) complete, under oath, and file a motor carrier tax return for
25 periods that the [Comptroller] **SECRETARY** requires; and

26 (2) provide other information that the [Comptroller] **SECRETARY**
27 considers necessary to enforce this subtitle properly.

28 (b) To identify properly persons listed in a return, each motor carrier shall
29 include in the return:

1 (1) the Social Security number or other federal identifying number of
2 the person; and

3 (2) if the [Comptroller] **SECRETARY** requires, United States
4 Department of Transportation (US DOT) identification number.

5 9–208.

6 (a) The [Comptroller] **SECRETARY** may exempt a motor carrier from filing a
7 motor carrier tax return if:

8 (1) the operations of the motor carrier are intrastate only;

9 (2) the intrastate commercial motor vehicles of the motor carrier are
10 registered (tagged) by the Motor Vehicle Administration to operate within the State;
11 and

12 (3) the exemption will not affect the enforcement of this subtitle
13 adversely.

14 9–209.

15 (a) Each motor carrier shall keep, in the form that the [Comptroller]
16 **SECRETARY** requires, records of the operations on which the motor carrier tax
17 returns are based, including records that show the number of miles operated for each
18 gallon of motor fuel.

19 (b) A motor carrier shall make the records required under subsection (a) of
20 this section available for inspection by the [Comptroller] **SECRETARY** at any time
21 during business hours.

22 (c) A motor carrier shall keep the records required under subsection (a) of
23 this section for 4 years unless the records have been audited and, on written request
24 that states the reasons for the request, the [Comptroller] **SECRETARY** authorizes
25 early destruction.

26 9–213.

27 A motor carrier shall pay to the [Comptroller] **SECRETARY** the motor carrier
28 tax computed by multiplying the tax rate under § 9–204 of this subtitle by the gallons
29 of motor fuel used, as computed under § 9–212 of this subtitle, less any credit allowed
30 under § 9–214 of this subtitle.

31 9–214.

1 (b) If the credit allowed under subsection (a) of this section for a return
2 period exceeds the motor carrier tax due in the period, then, in accordance with
3 regulations of the [Comptroller] **SECRETARY**, the motor carrier may:

4 (1) apply the excess credit to the motor carrier tax due within the next
5 2 years; or

6 (2) apply for a refund of the excess credit under § 13-901 of this
7 article.

8 9-215.

9 A motor carrier shall pay the motor carrier tax for a period with the return that
10 covers the period, in accordance with regulations of the [Comptroller] **SECRETARY**.

11 9-219.

12 (a) (1) Except as provided in paragraphs (2) and (3) of this subsection, a
13 motor carrier shall obtain from the [Comptroller] **SECRETARY** an identification
14 marker for each commercial motor vehicle of the motor carrier.

15 (b) To qualify for an identification marker, a motor carrier shall submit to
16 the [Comptroller] **SECRETARY** an application on the form that the [Comptroller]
17 **SECRETARY** requires.

18 (c) (1) By regulation, the [Comptroller] **SECRETARY** shall establish
19 procedures to issue trip permits and to provide evidence of compliance with this
20 subtitle.

21 (2) To qualify for a trip permit for a commercial motor vehicle, a motor
22 carrier shall pay to the [Comptroller] **SECRETARY** an amount rounded to the nearest
23 dollar equal to the current motor carrier tax payable on 174 gallons of special fuel for
24 each commercial motor vehicle.

25 9-220.

26 (a) A motor carrier shall display the identification marker for each
27 commercial motor vehicle as the [Comptroller] **SECRETARY** requires by regulation.

28 (c) The [Comptroller] **SECRETARY** may recall an identification marker for a
29 violation of this subtitle or a regulation adopted to carry out this subtitle.

30 (d) The [Comptroller] **SECRETARY** shall provide, by regulation, methods for
31 identification of motor carriers to other motor carriers and the public.

32 9-221.

1 The [Comptroller] **SECRETARY** may issue a temporary authorization to a
2 motor carrier to operate a commercial motor vehicle in the State if the [Comptroller]
3 **SECRETARY** is satisfied that:

4 (1) the motor carrier does not have an identification marker or trip
5 permit for the commercial motor vehicle;

6 (2) unforeseen circumstances require operation of the commercial
7 motor vehicle; and

8 (3) a prohibition of operation would cause undue hardship.

9 9–301.

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

11 (j) “License” means a license issued by the [Comptroller] **SECRETARY**
12 under this subtitle to engage in the business of a dealer, distributor, special fuel seller,
13 special fuel user, or turbine fuel seller.

14 9–303.1.

15 (e) (3) The amount of a refund or credit will be equal to the amount of the
16 motor fuel tax that has been reimbursed directly or indirectly to the gasoline retailer
17 or the amount of the motor fuel tax that the oil company has remitted to the
18 [Comptroller] **SECRETARY**.

19 9–304.

20 The [Comptroller] **SECRETARY** may allow, by regulation, a licensed dealer, a
21 licensed special fuel seller, or a licensed turbine fuel seller to omit the motor fuel tax
22 on motor fuel sold to the United States or a unit of the United States.

23 9–308.

24 (a) Except as provided in subsections (b) and (c) of this section, each dealer,
25 special fuel seller, special fuel user, or turbine fuel seller shall complete, under oath,
26 and file with the [Comptroller] **SECRETARY** a motor fuel tax return:

27 (1) for each month in which the dealer, special fuel seller, special fuel
28 user, or turbine fuel seller sells or uses motor fuel in the State:

29 (i) by delivery, on or before the last day of the next month;

1 (ii) by mail postmarked at least 2 days before the last day of the
2 next month; or

3 (iii) if, for cause, the [Comptroller] **SECRETARY** grants an
4 extension, by delivery on or before the date that the [Comptroller] **SECRETARY**
5 specifies; and

6 (2) if the [Comptroller] **SECRETARY** so requires, by regulation, on
7 other dates for each month in which the dealer, special fuel seller, special fuel user, or
8 turbine fuel seller does not sell or deliver motor fuel.

9 (b) Each licensed Class B dealer shall complete, under oath, and file with the
10 [Comptroller] **SECRETARY** a motor fuel tax return:

11 (1) for each month in which the dealer receives gasoline in the State:

12 (i) by delivery, on or before the last day of the next month;

13 (ii) by mail postmarked at least 2 days before the last day of the
14 next month; or

15 (iii) if, for cause, the [Comptroller] **SECRETARY** grants an
16 extension, by delivery on or before the date that the [Comptroller] **SECRETARY**
17 specifies; and

18 (2) if the [Comptroller] **SECRETARY** so requires, by regulation, on
19 other dates for each month in which the dealer does not receive gasoline.

20 (c) (1) A special fuel user engaged in the business of agriculture shall
21 complete, under oath, and file with the Comptroller a motor fuel tax return for periods
22 and on dates as the [Comptroller] **SECRETARY** may specify by regulation.

23 (2) The [Comptroller] **SECRETARY** may not require filings more
24 frequently than monthly.

25 (e) (1) The [Comptroller] **SECRETARY** by regulation may require each
26 person that is required to file a return under this section to file the return through
27 electronic means.

28 9–309.

29 (a) (2) The records kept under this subsection shall include:

30 (iii) any other pertinent record that the [Comptroller]
31 **SECRETARY** requires to administer the laws that relate to the motor fuel tax.

1 (b) A person required to keep records under subsection (a) of this section
2 shall make the records available for inspection by the [Comptroller] **SECRETARY** at
3 any time during business hours.

4 (c) (1) The [Comptroller] **SECRETARY** may charge a person for the
5 reasonable travel and other expenses of inspecting records required to be kept under
6 subsection (a) of this section, if:

7 (i) the [Comptroller] **SECRETARY** decides that the inspection
8 is necessary; and

9 (ii) the person does not make the records available in this State.

10 (2) If a person does not pay charges assessed against the person under
11 this subsection within 30 days after receipt of a bill for the charges, the [Comptroller]
12 **SECRETARY** may:

13 (i) sue to collect the charges; or

14 (ii) cancel the license, if any, of the person in accordance with §
15 9–330 of this subtitle.

16 9–310.

17 (a) Each dealer, distributor, special fuel seller, or turbine fuel seller who sells
18 motor fuel shall give the buyer an original invoice that includes:

19 (1) the name under which the [Comptroller] **SECRETARY** licenses the
20 seller; and

21 9–318.

22 A person shall be licensed by the [Comptroller] **SECRETARY** before the person
23 may engage, in the State, in the business of:

24 (1) a dealer;

25 (2) a distributor;

26 (3) a special fuel seller;

27 (4) a special fuel user; or

28 (5) a turbine fuel seller.

29 9–320.

1 (a) An applicant for a license shall submit to the [Comptroller] **SECRETARY**:

2 (1) a completed application, on the form that the [Comptroller]
3 **SECRETARY** requires, that:

4 (i) is made under oath;

5 (ii) states the name under which the applicant does or will do
6 business in the State;

7 (iii) states, for partnerships, the name of each partner;

8 (iv) states, for firms, the name of each member; and

9 (v) states, for corporations, the names and addresses of its
10 principal officers, resident agent, and attorney in fact; and

11 (2) the bond required under Title 13 of this article.

12 (b) An applicant for an exemption certificate shall submit a completed
13 application, on the form that the [Comptroller] **SECRETARY** requires, that:

14 (1) is made under oath;

15 (2) states the name under which the applicant does or will do business
16 in the State;

17 (3) states, for partnerships, the name of each partner;

18 (4) states, for firms, the name of each member; and

19 (5) states, for corporations, the names and addresses of its principal
20 officers, resident agent, and attorney in fact.

21 (c) The [Comptroller] **SECRETARY** shall keep and index:

22 (1) each application filed under this section;

23 (2) each bond filed under this section; and

24 (3) a record of:

25 (i) each licensee; and

26 (ii) each holder of an exemption certificate.

1 9-321.

2 (a) The [Comptroller] **SECRETARY** shall issue a license of the appropriate
3 class to each applicant who meets the requirements of this subtitle.

4 (b) The [Comptroller] **SECRETARY** shall issue an exemption certificate to
5 each applicant who meets the requirements of this subtitle.

6 9-322.

7 (c) (1) A Class "C" license authorizes the licensee to:

8 (i) acquire, in this State, from a supplier whom the
9 [Comptroller] **SECRETARY** specifically approves, gasoline on which the motor fuel tax
10 has not been paid; and

11 (f) (1) A Class "G-Temporary" license authorizes the licensee during the
12 term of the federal contract for which the license is issued to:

13 (i) acquire, in this State, gasoline on which the motor fuel tax
14 has not been paid, in the amount that the contract specifies and from a supplier whom
15 the [Comptroller] **SECRETARY** specifically approves; and

16 9-326.

17 (a) To obtain proper identification of a person who receives, buys, sells, or
18 uses motor fuel, the [Comptroller] **SECRETARY** may:

19 (1) require information necessary to assign an identification number
20 to the person; and

21 (2) assign a license or other identification number to the person.

22 9-327.

23 (a) To obtain an exemption under § 9-303(a), (b), or (c) of this subtitle, a
24 dealer, distributor, special fuel seller, special fuel user, or turbine fuel seller shall
25 complete and submit any certificates and reports that the [Comptroller] **SECRETARY**
26 requires, by regulation.

27 (b) If the holder of an exemption certificate changes the use of any special
28 fuel obtained under that certificate to a taxable use, the holder shall give the
29 [Comptroller] **SECRETARY** written notice of the change within 5 days after the first
30 change.

31 9-328.

1 Subject to the hearing provisions of § 9–329 of this subtitle, the [Comptroller]
2 **SECRETARY** may deny a license or exemption certificate to any applicant, if the
3 applicant:

4 (1) fraudulently or deceptively has obtained or attempts to obtain a
5 license or exemption certificate for the applicant or another person;

6 (2) previously has had a license or exemption certificate canceled for
7 cause; or

8 (3) in the judgment of the [Comptroller] **SECRETARY**, has not filed an
9 application in good faith.

10 9–329.

11 (a) Except as otherwise provided in § 10–226 of the State Government
12 Article, before the [Comptroller] **SECRETARY** takes any action under § 9–328 of this
13 subtitle, the [Comptroller] **SECRETARY** shall give the person against whom the action
14 is contemplated an opportunity for a hearing before the [Comptroller] **SECRETARY**.

15 (b) (1) The [Comptroller] **SECRETARY** shall give notice and hold the
16 hearing in accordance with Title 10, Subtitle 2 of the State Government Article.

17 (c) The [Comptroller] **SECRETARY** may administer oaths in connection with
18 any proceeding under this section.

19 9–330.

20 Subject to § 9–331 of this subtitle, the [Comptroller] **SECRETARY** may cancel a
21 license or exemption certificate if the licensee or certificate holder:

22 (1) files false information under this subtitle;

23 (2) fails to file a report required under this subtitle;

24 (3) fails to give the [Comptroller] **SECRETARY** the notice of a change
25 in use required under § 9–327(b) of this subtitle;

26 (4) fails to pay any motor fuel tax, interest, or penalty due under this
27 subtitle;

28 (5) violates any requirement for the class of license held;

29 (6) violates any regulation adopted under this subtitle;

1 (7) fails to maintain the bond required under Title 13 of this article;

2 (8) stops engaging for more than 6 consecutive months in the business
3 for which licensed; or

4 (9) fails to keep records required under this article, Title 10, Subtitle 3
5 of the Business Regulation Article, or an applicable regulation.

6 9-331.

7 If the [Comptroller] **SECRETARY** cancels a license or exemption certificate
8 under § 9-330 of this subtitle, the [Comptroller] **SECRETARY** shall notify the licensee
9 or certificate holder in writing sent to the last known address of the licensee or
10 certificate holder. The notice shall be sent by certified mail, return receipt requested,
11 under a postmark of the United States Postal Service.

12 9-332.

13 Any person aggrieved by a cancellation under § 9-330 of this subtitle or by a
14 final decision of the [Comptroller] **SECRETARY** in a contested case as defined in §
15 10-201 of the State Government Article may appeal to the appropriate circuit court.
16 The appeal shall be filed within 30 days after the mailing date of the final decision or
17 notice of cancellation.

18 9-333.

19 A licensee may request in writing that the [Comptroller] **SECRETARY** cancel a
20 license held by the licensee. The [Comptroller] **SECRETARY** shall notify the licensee
21 in writing of the decision on the request. If the request is granted, the cancellation
22 takes effect on the last day of the month in which the request is received.

23 9-335.

24 The [Comptroller] **SECRETARY** shall surrender the bond filed by a licensee if:

25 (1) the license is revoked or canceled; and

26 (2) the licensee has paid all motor fuel taxes, interest, and penalties
27 that are due.

28 9-336.

29 (a) The Motor Vehicle Administration shall send promptly to the
30 [Comptroller] **SECRETARY** the name and address of a person who registers a motor
31 vehicle propelled by special fuel for operation on public highways.

1 (b) The [Comptroller] **SECRETARY** shall notify immediately the Motor
2 Vehicle Administration if:

3 (1) the [Comptroller] **SECRETARY** cancels a license or exemption
4 certificate issued under this subtitle or suspends or revokes an identification marker,
5 a permit, or temporary authority issued to a motor carrier under Subtitle 2 of this title
6 for failure to comply with the provisions of this subtitle or Subtitle 2 of this title; or

7 (2) the [Comptroller] **SECRETARY** knows that a licensee, exemption
8 certificate holder, or motor carrier has violated the provisions of this subtitle or
9 Subtitle 2 of this title.

10 (c) On receipt of a notice under subsection (b) of this section, the Motor
11 Vehicle Administration shall suspend or revoke the appropriate registration.

12 (d) If the [Comptroller] **SECRETARY** is satisfied with the corrective action
13 taken by the licensee or certificate holder, the [Comptroller] **SECRETARY** may
14 reinstate the license or exemption certificate. If the license or exemption certificate is
15 reinstated, the [Comptroller] **SECRETARY** shall give the Motor Vehicle
16 Administration notice of the reinstatement and the Motor Vehicle Administration
17 shall reinstate the registration of the licensee or exemption certificate holder.

18 9-337.

19 (a) A person may not engage in the business of a dealer, a distributor, a
20 special fuel seller, a special fuel user, or a turbine fuel seller without a license issued
21 by the [Comptroller] **SECRETARY** under this subtitle.

22 (b) A dealer, distributor, special fuel seller, special fuel user, or turbine fuel
23 seller may not receive motor fuel without a license issued by the [Comptroller]
24 **SECRETARY** under this subtitle.

25 (c) A person may not transfer motor fuel on which motor fuel tax is due and
26 has not been paid to a person who does not hold a license or exemption certificate
27 issued by the [Comptroller] **SECRETARY** under this subtitle.

28 12-101.

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

30 (g) "Tax stamp" means a device in the design and denomination that the
31 [Comptroller] **SECRETARY** authorizes by regulation for the purpose of being affixed to
32 a package of cigarettes as evidence that the tobacco tax is paid.

33 12-201.

1 (a) A manufacturer shall complete and file with the [Comptroller]
2 **SECRETARY** a tobacco tax return:

3 (1) on or before the 15th day of the month that follows the month in
4 which the manufacturer distributes in the State free sample cigarettes of the
5 manufacturer; and

6 (2) if the [Comptroller] **SECRETARY** so specifies, by regulation, on
7 other dates for each month in which the manufacturer does not distribute any sample
8 cigarettes.

9 (b) A licensed other tobacco products manufacturer shall file the information
10 return that the [Comptroller] **SECRETARY** requires.

11 (c) A licensed storage warehouse operator and a licensed other tobacco
12 products storage warehouse operator shall file the information return that the
13 [Comptroller] **SECRETARY** requires.

14 12-202.

15 (a) A wholesaler shall complete and file with the [Comptroller] **SECRETARY**
16 a tobacco tax return:

17 (1) for cigarettes:

18 (i) on or before the 21st day of the month that follows the
19 month in which the wholesaler has the first possession, in the State, of unstamped
20 cigarettes for which tax stamps are required; and

21 (ii) if the [Comptroller] **SECRETARY** so specifies, by regulation,
22 on other dates for each month in which the wholesaler does not have the first
23 possession of any unstamped cigarettes in the State; and

24 (2) for other tobacco products, on or before the 21st day of the month
25 that follows the month in which the wholesaler has possession of other tobacco
26 products on which the tobacco tax has not been paid.

27 12-203.

28 (b) A wholesaler shall:

29 (1) keep the records required under subsection (a) of this section for a
30 period of 6 years or for a shorter period that the [Comptroller] **SECRETARY**
31 authorizes; and

32 (2) allow the [Comptroller] **SECRETARY** to examine the records.

1 12-302.

2 (a) A manufacturer of sample cigarettes shall pay the tobacco tax on those
3 cigarettes distributed in the State without charge, in the manner that the
4 [Comptroller] **SECRETARY** requires by regulation, with the return that covers the
5 period in which the manufacturer distributed those cigarettes.

6 (d) (1) A licensed other tobacco products retailer or a licensed tobacconist
7 shall pay the tobacco tax on other tobacco products on which the tobacco tax has not
8 been paid by filing a quarterly tax return, with any supporting schedules, on forms
9 provided by the [Comptroller] **SECRETARY** on the following dates covering tax
10 liabilities in the preceding quarter:

11 (i) January 21;

12 (ii) April 21;

13 (iii) July 21; and

14 (iv) October 21.

15 12-303.

16 (a) (1) A licensed wholesaler may buy tax stamps, in the manner and at
17 the time that the [Comptroller] **SECRETARY** requires by regulation.

18 (2) Tax stamps may not be bought from a person other than the
19 [Comptroller] **SECRETARY** unless the buyer:

20 (i) has written permission from the [Comptroller] **SECRETARY**
21 to do so; or

22 (ii) is acting in accordance with the regulations of the
23 [Comptroller] **SECRETARY** for stamping floor stock.

24 (b) The [Comptroller] **SECRETARY** shall allow a licensed wholesaler a
25 discount of 0.82% of the purchase price of tax stamps.

26 12-304.

27 (b) (1) Except as provided in subsection (c) of this section, within 72 hours
28 after receiving cigarettes in the State and before selling or attempting to sell the
29 cigarettes, a licensed wholesaler who first possesses the cigarettes shall affix, to the
30 smallest cigarette package, tax stamps:

1 (ii) in the manner that the [Comptroller] **SECRETARY** requires,
2 including placing the tax stamps on the cigarette package so that the stamps are
3 visible to a buyer.

4 13–101.

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

6 (c) (1) “Tax collector” means the person or governmental unit responsible
7 for collecting a tax.

8 (2) “Tax collector” includes:

9 (i) the Comptroller;

10 (ii) the Department, with respect to:

11 1. the financial institution franchise tax; and

12 2. the public service company franchise tax; [and]

13 (iii) the registers of wills, with respect to the inheritance tax;

14 **AND**

15 (IV) **THE SECRETARY, WITH RESPECT TO THE ALCOHOLIC**
16 **BEVERAGE TAX, THE MOTOR CARRIER TAX, THE MOTOR FUEL TAX, AND THE**
17 **TOBACCO TAX.**

18 13–104.

19 (a) (1) Subject to the approval of the Treasurer and subject to the
20 limitation under paragraph (2) of this subsection, the Comptroller [or], the
21 Department, **OR THE SECRETARY** may provide by regulation for the payment of any
22 unpaid tax liability in connection with a tax return, report, or other document required
23 to be filed with the Comptroller [or], the Department, **OR THE SECRETARY** in funds
24 that are immediately available to the State on the date the payment is due.

25 (2) Except as provided in paragraph (3) of this subsection, the
26 Comptroller [or], the Department, **OR THE SECRETARY** may not require payment in
27 funds that are immediately available to the State if the unpaid tax liability in
28 connection with a tax return, report, or other document is less than \$10,000.

29 (3) (i) The Comptroller may require a person who is an agent of the
30 payor or employer as defined in § 10–905 of this article to make payments in
31 immediately available funds on the date the payment is due by the employer or payor

1 if the total amount of the payments to be made by the agent for any pay period exceeds
2 \$10,000 in the aggregate.

3 (ii) Any amounts for which an agent has not received timely
4 payment from an employer or payor:

5 1. shall be excluded for purposes of determining whether
6 the total amount of payments to be made by an agent for a pay period exceeds \$10,000
7 in the aggregate; and

8 2. may not be required to be paid in immediately
9 available funds under this paragraph.

10 (iii) This paragraph does not impose or affect liability for the
11 payment of any tax.

12 (b) Any regulations adopted by the Comptroller [or], the Department, **OR**
13 **THE SECRETARY** under this section shall establish a suitable means for payment in
14 immediately available funds so as to insure the availability of those funds to the State
15 on the date of payment.

16 (c) (1) Subject to paragraphs (2) and (3) of this subsection, if a person fails
17 to pay a tax imposed under this article on or before the date the tax is due in
18 immediately available funds as required by the regulations of the Comptroller [or],
19 the Department, **OR THE SECRETARY**, the Comptroller [or], the Department, **OR**
20 **THE SECRETARY** shall assess interest and a penalty on the unpaid tax from the date
21 the tax is due to the date on which the funds from the tax payment become available
22 to the State.

23 (2) The Comptroller [or], the Department, **OR THE SECRETARY** may
24 waive interest and penalties on late payments if the person required to pay the tax
25 proves that:

26 (i) the person made a good faith effort to comply with the
27 requirements of this section; and

28 (ii) the person exercised due diligence to initiate payment
29 correctly and on a timely basis.

30 (3) (i) Any interest or penalty assessed under this section due to an
31 agent's failure to make payment in immediately available funds as required under
32 subsection (a)(3) of this section:

33 1. shall be assessed against and paid by the agent; and

34 2. is not the responsibility of the payor or employer.

1 (ii) This paragraph does not prevent assessment of interest and
2 penalty against a payor or employer that is required to make payment in immediately
3 available funds without regard to subsection (a)(3) of this section.

4 (d) This section does not affect any requirement otherwise established by law
5 for the filing of any return, report, or other document.

6 13–203.

7 (a) (1) In this subsection, “taxing official” means:

8 (i) a unit or official of another state whom the laws of that state
9 charge with the imposition, assessment, or collection of state taxes;

10 (ii) an employee of the United States Treasury Department; or

11 (iii) a collector of United States taxes.

12 (2) The Comptroller [or], the Department, **OR THE SECRETARY** may
13 disclose to a taxing official tax information that is contained in any tax report or
14 return, audit of a tax return, or report of a tax investigation and relates to the
15 imposition, assessment, and collection of taxes or to any other matter about taxation
16 generally if:

17 (i) the Comptroller [or], the Department, **OR THE SECRETARY**
18 is satisfied that the tax information is to be used only for tax purposes;

19 (ii) the taxing official’s jurisdiction makes similar information
20 available to the appropriate officials of this State; and

21 (iii) in the case of another state, its laws provide for adequate
22 confidentiality of Maryland tax returns or other information.

23 (b) Tax information may be disclosed in accordance with a proper judicial
24 order or a legislative order.

25 (c) Tax information may be disclosed to:

26 (1) an employee or officer of the State who, by reason of that
27 employment or office, has the right to the tax information;

28 (2) another tax collector;

29 (3) the Maryland Tax Court;

1 (4) a legal representative of the State, to review the tax information
2 about a taxpayer:

3 (i) who applies for review under this title;

4 (ii) who appeals from a determination under this title; or

5 (iii) against whom an action to recover tax or a penalty is
6 pending or will be initiated under this title;

7 (5) any license issuing authority of the State required by State law to
8 verify through the Comptroller that an applicant has paid all undisputed taxes and
9 unemployment insurance contributions payable to the Comptroller or the Secretary of
10 Labor, Licensing, and Regulation or that the applicant has provided for payment in a
11 manner satisfactory to the unit responsible for collection;

12 (6) a local official as defined in § 13-925 of this title to the extent
13 necessary to administer Subtitle 9, Part V of this title;

14 (7) a federal official as defined in § 13-930 of this title to the extent
15 necessary to administer Part VI of this subtitle; and

16 (8) the Department of Health and Mental Hygiene in accordance with:

17 (i) the federal Children's Health Insurance Program
18 Reauthorization Act of 2009; and

19 (ii) § 10-211.1 of this article.

20 (d) Tax information may be disclosed and published as statistics that are
21 classified in a manner that prevents the identification of a particular return and the
22 information contained in a particular return.

23 13-205.

24 (a) In this section, "taxpayer identity information" means a taxpayer's:

25 (1) name;

26 (2) address; and

27 (3) identifying number, as described in § 6109 of the Internal Revenue
28 Code.

29 (b) (1) In addition to a disclosure allowed in § 13-203 of this subtitle, the
30 Comptroller may disclose taxpayer identity information that relates to the taxes
31 administered by the Comptroller under § 2-102 of this article:

1 (i) on written request of the administrator of the Central
2 Collection Unit for taxpayer identity information, to the administrator or other
3 employer or agent of the Unit but only for purposes of collection of a debt that the
4 taxpayer owes to the State;

5 (ii) to 1 or more commercial printers for the purpose of printing
6 the taxpayer identity information on tax forms;

7 (iii) to 1 or more commercial entities for the purpose of using a
8 lockbox or similar system for tax forms and payments;

9 (iv) in lists of names of persons who have failed to pay the tax as
10 required in this article and other relevant information that the Comptroller
11 determines may help in the collection of unpaid tax; and

12 (v) except for the identifying numbers described in subsection
13 (a)(3) of this section, to:

14 1. 1 or more persons with whom the Comptroller has
15 contracted to obtain telephone numbers of taxpayers for use in the collection of unpaid
16 tax; or

17 2. the press or other medium for the purpose of notifying
18 persons entitled to tax refunds if, after reasonable effort and time, the Comptroller has
19 been unable to locate those persons.

20 (2) If the Comptroller discloses taxpayer identity information to a
21 person under a contract described in paragraph (1)(v)1 of this subsection, the person:

22 (i) shall use that information only to obtain telephone numbers
23 for the Comptroller; and

24 (ii) may not use any telephone number or taxpayer identity
25 information or disclose the information to any other person.

26 **(C) (1) IN ADDITION TO A DISCLOSURE ALLOWED IN § 13–203 OF THIS**
27 **SUBTITLE, THE SECRETARY MAY DISCLOSE TAXPAYER IDENTITY INFORMATION**
28 **THAT RELATES TO THE TAXES ADMINISTERED BY THE SECRETARY UNDER §**
29 **2–102.1 OF THIS ARTICLE:**

30 **(I) ON WRITTEN REQUEST OF THE ADMINISTRATOR OF THE**
31 **CENTRAL COLLECTION UNIT FOR TAXPAYER IDENTITY INFORMATION, TO THE**
32 **ADMINISTRATOR OR OTHER EMPLOYER OR AGENT OF THE UNIT BUT ONLY FOR**
33 **PURPOSES OF COLLECTION OF A DEBT THAT THE TAXPAYER OWES TO THE**
34 **STATE;**

1 **(II) TO ONE OR MORE COMMERCIAL PRINTERS FOR THE**
2 **PURPOSE OF PRINTING THE TAXPAYER IDENTITY INFORMATION ON TAX FORMS;**

3 **(III) TO ONE OR MORE COMMERCIAL ENTITIES FOR THE**
4 **PURPOSE OF USING A LOCKBOX OR SIMILAR SYSTEM FOR TAX FORMS AND**
5 **PAYMENTS;**

6 **(IV) IN LISTS OF NAMES OF PERSONS WHO HAVE FAILED TO**
7 **PAY THE TAX AS REQUIRED IN THIS ARTICLE AND OTHER RELEVANT**
8 **INFORMATION THAT THE SECRETARY DETERMINES MAY HELP IN THE**
9 **COLLECTION OF UNPAID TAX; AND**

10 **(V) EXCEPT FOR THE IDENTIFYING NUMBERS DESCRIBED IN**
11 **SUBSECTION (A)(3) OF THIS SECTION, TO:**

12 **1. ONE OR MORE PERSONS WITH WHOM THE**
13 **SECRETARY HAS CONTRACTED TO OBTAIN TELEPHONE NUMBERS OF**
14 **TAXPAYERS FOR USE IN THE COLLECTION OF UNPAID TAX; OR**

15 **2. THE PRESS OR OTHER MEDIUM FOR THE PURPOSE**
16 **OF NOTIFYING PERSONS ENTITLED TO TAX REFUNDS IF, AFTER REASONABLE**
17 **EFFORT AND TIME, THE SECRETARY HAS BEEN UNABLE TO LOCATE THOSE**
18 **PERSONS.**

19 **(2) IF THE SECRETARY DISCLOSES TAXPAYER IDENTITY**
20 **INFORMATION TO A PERSON UNDER A CONTRACT DESCRIBED IN PARAGRAPH**
21 **(1)(V)1 OF THIS SUBSECTION, THE PERSON:**

22 **(I) SHALL USE THAT INFORMATION ONLY TO OBTAIN**
23 **TELEPHONE NUMBERS FOR THE SECRETARY; AND**

24 **(II) MAY NOT USE ANY TELEPHONE NUMBER OR TAXPAYER**
25 **IDENTITY INFORMATION OR DISCLOSE THE INFORMATION TO ANY OTHER**
26 **PERSON.**

27 13-206.

28 In addition to a disclosure allowed under § 13-203 of this subtitle, the
29 **[Comptroller] SECRETARY** may make an agreement with the appropriate authority of
30 any other state that has laws similar to the motor carrier tax laws for cooperative
31 audits of motor carrier tax returns and reports.

32 13-405.

1 (a) If a person keeps records that do not contain the information required in
2 § 9–209 of this article, the [Comptroller] **SECRETARY** may:

3 (1) compute the motor carrier tax by using a miles per gallon factor
4 based on the best information in the possession of the [Comptroller] **SECRETARY**; and

5 (2) assess the tax due.

6 (b) If a person fails to keep records or to make records available to the
7 [Comptroller] **SECRETARY** as required in § 9–209 of this article, the [Comptroller]
8 **SECRETARY** shall:

9 (1) compute the motor carrier tax by using a miles per gallon factor
10 based on the use, in the State, of 40 gallons of motor fuel for each commercial motor
11 vehicle in the person's fleet on each day during the period for which the records are not
12 kept or made available; and

13 (2) assess the tax due.

14 13–406.

15 If a person fails to keep the records required under § 9–309 of this article, the
16 [Comptroller] **SECRETARY** may:

17 (1) compute the motor fuel tax due by using the best information in
18 the possession of the [Comptroller] **SECRETARY**; and

19 (2) assess the tax due.

20 13–408.

21 (a) If the [Comptroller] **SECRETARY** determines that a person has failed to
22 keep the records of out-of-state cigarette or other tobacco product sales required
23 under § 12–203 of this article, the [Comptroller] **SECRETARY** shall:

24 (1) compute the tobacco tax as if the cigarettes or other tobacco
25 products were sold in the State; and

26 (2) assess the tax due.

27 (b) If the [Comptroller] **SECRETARY** determines that a person has possessed
28 or transported cigarettes or other tobacco products on which the tobacco tax has not
29 been paid as required under Title 12 of this article, the [Comptroller] **SECRETARY**
30 shall assess the tobacco tax due.

1 13-412.

2 If both the seller and buyer are liable for payment of the motor fuel tax or the
3 sales and use tax:

4 (1) the [Comptroller] **SECRETARY** may make an assessment against
5 both; and

6 (2) the assessment under item (1) of this section against either the
7 seller or buyer does not bar an assessment against the other for the same tax or any
8 part that has not been paid.

9 13-508.

10 (a) Within 30 days after the date on which a notice of assessment of the
11 admissions and amusement tax, alcoholic beverage tax, boxing and wrestling tax,
12 income tax, motor carrier tax, motor fuel tax, public service company franchise tax,
13 financial institution franchise tax, sales and use tax, or tobacco tax is mailed, a person
14 or governmental unit against which the assessment is made may submit to the tax
15 collector:

16 (1) an application for revision of the assessment; or

17 (2) except for the public service company franchise tax, if the
18 assessment is paid, a claim for refund.

19 (b) If a person or governmental unit fails to submit an application for
20 revision or claim for refund within the time allowed in subsection (a) of this section,
21 the assessment becomes final.

22 (c) The Comptroller or an employee of the Comptroller's office expressly
23 designated by the Comptroller promptly:

24 (1) (i) shall hold an informal hearing on a person's or
25 governmental unit's admissions and amusement tax, [alcoholic beverage tax,] boxing
26 and wrestling tax, income tax, [motor carrier tax, motor fuel tax,] **OR** sales and use
27 tax[, or tobacco tax] application for revision or claim for refund under subsection (a) of
28 this section; and

29 (ii) after the hearing:

30 1. shall act on the application for revision; and

31 2. may assess any additional tax, penalty, and interest
32 due; and

1 (2) shall mail to the person or governmental unit a notice of final
2 determination.

3 (d) The Department promptly:

4 (1) (i) shall act on a person's public service company franchise tax
5 or financial institution franchise tax application for revision under subsection (a) of
6 this section; or

7 (ii) 1. shall hold an informal hearing after giving reasonable
8 notice to the person; and

9 2. after the hearing:

10 A. shall act on the application for revision; and

11 B. may assess any additional tax, penalty, and interest
12 due; and

13 (2) shall mail to the person a notice of final determination.

14 **(E) THE SECRETARY PROMPTLY:**

15 **(1) (I) SHALL ACT ON A PERSON'S ALCOHOLIC BEVERAGE TAX,**
16 **MOTOR CARRIER TAX, MOTOR FUEL TAX, OR TOBACCO TAX APPLICATION FOR**
17 **REVISION UNDER SUBSECTION (A) OF THIS SECTION; OR**

18 **(II) 1. SHALL HOLD AN INFORMAL HEARING AFTER**
19 **GIVING REASONABLE NOTICE TO THE PERSON; AND**

20 **2. AFTER THE HEARING:**

21 **A. SHALL ACT ON THE APPLICATION FOR REVISION;**

22 **AND**

23 **B. MAY ASSESS ANY ADDITIONAL TAX, PENALTY, AND**
24 **INTEREST DUE; AND**

25 **(2) SHALL MAIL TO THE PERSON A NOTICE OF FINAL**
26 **DETERMINATION.**

27 13-509.

28 (a) Notwithstanding a person's failure to file a timely application for revision
29 or claim for refund of an assessment of the admissions and amusement tax, [alcoholic

1 beverage tax,] boxing and wrestling tax, income tax, [motor carrier tax, motor fuel
2 tax,] OR sales and use tax[, or tobacco tax] under § 13–508(a) of this subtitle, the
3 Comptroller or the Comptroller’s designee may issue an order decreasing or abating an
4 assessment to correct an erroneous assessment.

5 (b) If action is taken under subsection (a) of this section, the order shall state
6 clearly the reasons for decreasing or abating the assessment.

7 (c) Any order issued by the Comptroller under subsection (a) of this section
8 shall be final and not subject to appeal.

9 (d) The Comptroller’s refusal to enter an order under subsection (a) of this
10 section shall be final and not subject to appeal.

11 **13–509.1.**

12 (A) NOTWITHSTANDING A PERSON’S FAILURE TO FILE A TIMELY
13 APPLICATION FOR REVISION OR CLAIM FOR REFUND OF AN ASSESSMENT OF THE
14 ALCOHOLIC BEVERAGE TAX, MOTOR CARRIER TAX, MOTOR FUEL TAX, OR
15 TOBACCO TAX UNDER § 13–508(A) OF THIS SUBTITLE, THE SECRETARY OR THE
16 SECRETARY’S DESIGNEE MAY ISSUE AN ORDER DECREASING OR ABATING AN
17 ASSESSMENT TO CORRECT AN ERRONEOUS ASSESSMENT.

18 (B) IF ACTION IS TAKEN UNDER SUBSECTION (A) OF THIS SECTION, THE
19 ORDER SHALL STATE CLEARLY THE REASONS FOR DECREASING OR ABATING
20 THE ASSESSMENT.

21 (C) ANY ORDER ISSUED BY THE SECRETARY UNDER SUBSECTION (A) OF
22 THIS SECTION SHALL BE FINAL AND NOT SUBJECT TO APPEAL.

23 (D) THE SECRETARY’S REFUSAL TO ENTER AN ORDER UNDER
24 SUBSECTION (A) OF THIS SECTION SHALL BE FINAL AND NOT SUBJECT TO
25 APPEAL.

26 **13–701.**

27 (b) (1) If a person fails to pay alcoholic beverage tax, financial institution
28 franchise tax, income tax, or tobacco tax when required under this article, the tax
29 collector shall assess a penalty not exceeding 25% of the unpaid tax.

30 (2) If a person fails to file a motor carrier tax return or motor fuel tax
31 return when required under this article, the [Comptroller] SECRETARY shall assess a
32 penalty not exceeding \$25.

33 **13–707.**

1 (b) If a motor carrier fails to file a motor carrier tax return or pay the motor
2 carrier tax when required under Title 9, Subtitle 2 of this article, the [Comptroller]
3 **SECRETARY** may suspend or revoke any identification marker, permit, or temporary
4 authorization issued to the motor carrier under Title 9, Subtitle 2 of this article.

5 (c) If a motor carrier fails to pay a tax, a fee, a penalty, or an interest
6 assessment owed to the Maryland Motor Vehicle Administration, the [Comptroller]
7 **SECRETARY** shall, upon receipt of notification from the Motor Vehicle Administration,
8 suspend or revoke the appropriate identification marker, permit, or temporary
9 authorization issued to the motor carrier under Title 9, Subtitle 2 of this article.

10 13-710.

11 If the [Comptroller] **SECRETARY** or any police officer seizes distilled spirits or
12 mash in connection with an arrest of a person for the unlawful manufacture of
13 distilled spirits in the State, on conviction of the person, the [Comptroller]
14 **SECRETARY** shall assess a penalty of \$5 for each 100 proof gallon on:

15 (1) all distilled spirits seized; or

16 (2) the potential quantity of distilled spirits that may be manufactured
17 from the quantity of mash seized.

18 13-711.

19 If a person willfully fails to keep any record required under § 12-203 of this
20 article, the [Comptroller] **SECRETARY** may assess a penalty not exceeding 25% of the
21 unpaid tobacco tax.

22 13-825.

23 (b) The [Comptroller] **SECRETARY** shall require:

24 (1) a manufacturer, wholesaler, or nonresident winery permit holder
25 who sells or delivers beer or wine to retailers in the State to post security for the
26 alcoholic beverage tax:

27 (i) in an amount not less than:

28 1. \$1,000 for beer; and

29 2. \$1,000 for wine; and

30 (ii) if the alcoholic beverage tax on beer and wine paid in any 1
31 month exceeds \$1,000, in an additional amount at least equal to the excess;

1 (2) a manufacturer or wholesaler who sells or delivers any distilled
2 spirits or any wine and distilled spirits in the State to post a security for the alcoholic
3 beverage tax:

4 (i) in an amount not less than \$5,000; and

5 (ii) in an additional amount:

6 1. equal to twice the amount of its largest monthly
7 alcoholic beverage tax liability for wine and distilled spirits in the preceding calendar
8 year less \$5,000; or

9 2. if the information for the preceding calendar year is
10 not available or cannot be provided, equal to the amount that the [Comptroller]
11 **SECRETARY** requires; and

12 (3) except as provided in subsection (i) of this section, a holder of a
13 direct wine shipper's permit to post security for the alcoholic beverage tax in an
14 amount not less than \$1,000.

15 (e) The [Comptroller] **SECRETARY** may require a person seeking a refund of
16 motor carrier tax to post security for the tax in an amount of not less than \$5,000 but
17 not more than \$100,000.

18 (f) The [Comptroller] **SECRETARY** shall require an applicant for any license
19 under Title 9 of this article, except for a Class "W" license, to post security for the
20 motor fuel tax in the amount that the Comptroller requires, but not less than:

21 (1) \$200,000 for a Class "A" license;

22 (2) \$50,000 for a Class "B" license;

23 (3) \$10,000 for a Class "C" license;

24 (4) \$200,000 for a Class "D" license;

25 (5) \$1,000 for a Class "F" license;

26 (6) \$10,000 for a Class "G-Temporary" license;

27 (7) \$1,000 for a Class "S" license; and

28 (8) \$1,000 for a Class "U" license.

29 (h) (1) The [Comptroller] **SECRETARY** may require a person subject to
30 the tobacco tax to post security for the tax in the following amounts:

1 (i) for a manufacturer or wholesaler:
2 1. \$10,000, plus
3 2. the amount, if any, by which the tobacco tax due for
4 any 1 month exceeds \$10,000;

5 (ii) for a subwholesaler or vending machine operator:
6 1. \$1,000, plus
7 2. the amount, if any, by which the tobacco tax due for
8 any 1 month exceeds \$1,000; and

9 (iii) for an other tobacco products wholesaler:
10 1. \$5,000, plus
11 2. the amount, if any, by which the tobacco tax due for
12 any 1 month exceeds \$5,000.

13 (2) Except as provided in paragraph (5) of this subsection, the
14 [Comptroller] **SECRETARY** may exempt a person from posting security for the tobacco
15 tax if the person is and has been for the past 5 years:

16 (i) licensed as required under § 16–202 of the Business
17 Regulation Article to act as a wholesaler or § 16.5–201 to act as an other tobacco
18 products wholesaler; and

19 (ii) 1. in continuous compliance with the tobacco tax laws,
20 as determined under paragraph (3) of this subsection; and

21 2. in continuous compliance with the conditions of the
22 person's security posted under this subsection.

23 (3) For purposes of paragraph (2) of this subsection, a person is in
24 continuous compliance with the tobacco tax laws for a period if the person has not, at
25 any time during that period:

26 (i) failed to pay any tobacco tax or any tobacco tax assessment
27 when due;

28 (ii) failed to file a tobacco tax return when due; or

29 (iii) otherwise violated any of the provisions of Title 12 or Title
30 13 of this article or Title 16 or Title 16.5 of the Business Regulation Article.

1 (4) (i) An exemption granted under paragraph (2) of this
2 subsection is effective only to the extent that a person's potential tobacco tax liability
3 does not exceed an amount determined by the [Comptroller] **SECRETARY** based on
4 the person's experience during the 5-year compliance period under paragraph (2) of
5 this subsection.

6 (ii) The [Comptroller] **SECRETARY** may revoke an exemption
7 granted to a person under paragraph (2) of this subsection if the person at any time
8 fails to be in continuous compliance with the tobacco tax laws, as described in
9 paragraph (3) of this subsection.

10 (iii) The [Comptroller] **SECRETARY** may reinstate an exemption
11 revoked under subparagraph (ii) of this paragraph if the person meets the
12 requirements of paragraph (2)(i) and (ii) of this subsection for a period of 2 years
13 following the revocation.

14 (5) The [Comptroller] **SECRETARY** may not exempt a person from
15 posting a bond or other security for the tobacco tax unless the [Comptroller]
16 **SECRETARY** determines that the person is solvent and financially able to pay the
17 person's potential tobacco tax liability.

18 (6) If a corporation is granted an exemption from posting a bond or
19 other security for the tobacco tax, any officer of the corporation who exercises direct
20 control over its fiscal management is personally liable for any tobacco tax, interest and
21 penalties owed by the corporation.

22 (i) A person need not post security under subsection (b)(3) of this section if:

23 (1) the person is a manufacturer that has posted security under
24 subsection (b)(2) of this section; or

25 (2) at any time starting 3 years after the [Comptroller] **SECRETARY**
26 first issues a direct wine shipper's permit to the person, the [Comptroller]
27 **SECRETARY**:

28 (i) determines that the person has a substantial record of tax
29 and reporting compliance; and

30 (ii) waives the security requirement.

31 13-826.

32 The following securities are acceptable:

1 (1) a bond issued by a surety company that is authorized to do
2 business in the State and is approved by the State Insurance Commissioner as to
3 solvency and responsibility;

4 (2) cash in an amount that the tax collector approves;

5 (3) marketable securities that the tax collector approves; [or]

6 (4) for admissions and amusement tax[, alcoholic beverage tax,] AND
7 boxing and wrestling tax[, and tobacco tax], an irrevocable letter of credit:

8 (i) in an amount that the Comptroller approves; and

9 (ii) with a date certain for coverage during the collection period;

10 OR

11 (5) FOR ALCOHOLIC BEVERAGE TAX AND TOBACCO TAX, AN
12 IRREVOCABLE LETTER OF CREDIT:

13 (I) IN AN AMOUNT THAT THE SECRETARY APPROVES; AND

14 (II) WITH A DATE CERTAIN FOR COVERAGE DURING THE
15 COLLECTION PERIOD.

16 13-834.

17 (a) In this Part VI of this subtitle the following words have the meanings
18 indicated.

19 (b) “Contraband alcoholic beverage” means an alcoholic beverage, as defined
20 in § 5-101 of this article:

21 (1) on which alcoholic beverage tax is not paid; and

22 (2) that is delivered, possessed, sold, or transported in the State in a
23 manner not authorized under Title 5 of this article or Article 2B of the Code.

24 (c) “Contraband tobacco products” means cigarettes or other tobacco
25 products, as defined in § 12-101 of this article:

26 (1) on which tobacco tax is not paid; and

27 (2) that are delivered, possessed, sold, or transported in the State in a
28 manner not authorized under Title 12 of this article or Title 16 of the Business
29 Regulation Article.

1 (d) “Contraband motor fuel” means motor fuel, as defined in § 9–101 of this
2 article:

3 (1) on which motor fuel tax is not paid; and

4 (2) that is delivered, possessed, sold, or transferred in the State in a
5 manner not authorized under Title 9 of this article or Title 10 of the Business
6 Regulation Article.

7 (e) “Conveyance” means:

8 (1) an aircraft, vehicle, or vessel used to transport alcoholic beverages,
9 cigarettes, or other tobacco products; and

10 (2) a tank car, vehicle, or vessel that is used to transport motor fuel
11 and that, exclusive of any tank used for its own propulsion, has a capacity exceeding
12 50 gallons.

13 13–835.

14 (a) The [Comptroller] **SECRETARY** or a peace officer of the State may:

15 (1) seize contraband alcoholic beverages or contraband tobacco
16 products in the State without a warrant;

17 (2) stop and search a conveyance in the State if the [Comptroller]
18 **SECRETARY** or officer knows or has reason to suspect that the conveyance is being
19 used to transport in the State contraband tobacco products having a retail value of
20 \$100 or more or contraband alcoholic beverages; and

21 (3) seize a conveyance being used in the State to transport contraband
22 alcoholic beverages or contraband tobacco products.

23 (b) A police officer of the State may:

24 (1) seize any contraband motor fuel in the State without a warrant;

25 (2) stop and search a conveyance in the State for contraband motor
26 fuel if the officer has probable cause to believe that the conveyance is being used to
27 carry contraband motor fuel in the State; and

28 (3) seize a conveyance being used to transport contraband motor fuel.

29 13–836.

30 (a) (1) If contraband alcoholic beverages or contraband tobacco products
31 are seized:

1 (i) the [Comptroller] **SECRETARY** or police officer shall give a
2 notice of seizure to the person from whom the property is seized at the time of the
3 seizure; and

4 (ii) the [Comptroller] **SECRETARY** shall:

5 1. where possible, give a notice of seizure to the
6 registered owner of a seized conveyance; and

7 2. publish a notice of seizure of the conveyance in a
8 newspaper of general circulation in the county where the seizure occurred.

9 (2) If contraband motor fuel is seized, within 48 hours after the
10 seizure, not including weekends and holidays, the [Comptroller] **SECRETARY** shall
11 give a notice of seizure to:

12 (i) the owner of the contraband motor fuel;

13 (ii) the registered owner of the seized conveyance; and

14 (iii) any secured party noted in the records of the Motor Vehicle
15 Administration.

16 (3) A notice of seizure shall state the right of an owner or other
17 interested person, including a secured party of record, to file a claim for the return of
18 the seized property.

19 (b) (1) A police officer who seizes a conveyance used to transport
20 contraband alcoholic beverages promptly shall notify the [Comptroller] **SECRETARY**
21 of the seizure.

22 (2) A police officer who seizes any contraband tobacco products or
23 conveyance used to transport contraband tobacco products shall deliver the seized
24 cigarettes or other tobacco products and conveyance to the [Comptroller]
25 **SECRETARY**.

26 (3) A police officer who seizes any contraband motor fuel shall:

27 (i) deliver the seized contraband motor fuel and conveyance to
28 the [Comptroller] **SECRETARY**; or

29 (ii) if the seized conveyance is operated by a common carrier,
30 regulated by either the Maryland Public Service Commission or the Interstate
31 Commerce Commission, and transports motor fuel for another person, for a fee, direct

1 the operator of the conveyance to take it to a location that the [Comptroller]
2 **SECRETARY** designates.

3 (c) For a seized conveyance transporting contraband motor fuel that is
4 operated by a common carrier, the [Comptroller] **SECRETARY** shall:

5 (1) remove the contraband from the conveyance at the location that
6 the [Comptroller] **SECRETARY** designates;

7 (2) retain the contraband, subject to §§ 13–840 and 13–841 of this
8 subtitle;

9 (3) after removing the contraband, release the conveyance to its
10 operator; and

11 (4) reimburse the common carrier for all tariff charges applicable to
12 the movement of the conveyance from:

13 (i) the place of seizure to the location where the contraband
14 motor fuel was removed; and

15 (ii) the place where the contraband motor fuel was removed to
16 the nearer of the common carrier's home terminal or the place of seizure.

17 13–837.

18 The owner or another person with an interest in seized property may file a
19 claim for the return of the property with the [Comptroller] **SECRETARY** within 30
20 days after:

21 (1) the seizure of alcoholic beverages, cigarettes, other tobacco
22 products, motor fuel or conveyances used to transport motor fuel; or

23 (2) a notice of seizure of a conveyance used to transport alcoholic
24 beverages, cigarettes, or other tobacco products is published.

25 13–838.

26 (a) A person forfeits any interest, right, or title to property that is seized for
27 violation of the alcoholic beverage tax laws if the person:

28 (1) fails to file a claim for return of the seized property within the time
29 allowed under § 13–837 of this subtitle; or

30 (2) is adjudged guilty of violating the alcoholic beverage tax laws.

1 (b) (1) If, within the time allowed to file a claim under § 13–837 of this
2 subtitle, a person who has a lien interest in property seized for violation of the
3 alcoholic beverage tax law files a petition, the circuit court for the county in which
4 property is seized shall proceed in rem to hear and determine the question of forfeiture
5 of the interest by the lien holder.

6 (2) If the circuit court finds that the lien holder had knowledge of the
7 intended unlawful use of the property, the interest, right, and title of a lien holder
8 shall be forfeited.

9 (3) Absent a finding under paragraph (2) of this subsection, the
10 **[Comptroller] SECRETARY**, in the best interest of the State may:

11 (i) pay the outstanding indebtedness secured by the lawful lien
12 and keep the property; or

13 (ii) deliver the property to the lien holder.

14 13–839.

15 (a) If a person files a claim for return of seized alcoholic beverages,
16 cigarettes, other tobacco products, or a conveyance used for their transportation under
17 § 13–837 of this subtitle, the **[Comptroller] SECRETARY** or the **[Comptroller’s]**
18 **SECRETARY’S** designee shall:

19 (1) promptly act on the request and hold an informal hearing;

20 (2) direct the return of alcoholic beverages, cigarettes, or other tobacco
21 products unless the **[Comptroller] SECRETARY** or the **[Comptroller’s] SECRETARY’S**
22 designee has satisfactory proof that the person was not in compliance with any
23 provisions of Title 5 or Title 12 of this article at the time of seizure; and

24 (3) direct the return of the conveyance if the **[Comptroller]**
25 **SECRETARY** or the **[Comptroller’s] SECRETARY’S** designee has satisfactory proof
26 that the owner of the conveyance was not willfully evading any provisions of Title 5 or
27 Title 12 of this article at the time of seizure.

28 (b) The **[Comptroller] SECRETARY** or the **[Comptroller’s] SECRETARY’S**
29 designee shall grant or deny the application for return of seized alcoholic beverages,
30 cigarettes, other tobacco products, or a conveyance in accordance with subsection (a) of
31 this section by mailing the person a notice of final determination.

32 13–840.

1 (a) If a person files with the [Comptroller] **SECRETARY** a claim for return of
2 the seized motor fuel or conveyances used in its transportation, the [Comptroller]
3 **SECRETARY** shall:

4 (1) provide an opportunity for a hearing; and

5 (2) if requested by the claimant, conduct the hearing within 5 working
6 days after the claim is received.

7 (b) The [Comptroller] **SECRETARY** shall:

8 (1) make a final determination of whether the property should be
9 forfeited within 2 working days after the date of the conclusion of the hearing; and

10 (2) mail a notice of the final determination on the date on which that
11 determination is made.

12 13-841.

13 (a) (1) Contraband alcoholic beverages that are seized under this title and
14 forfeited may be disposed of or destroyed in the manner allowed under Article 2B, §
15 1-201(f)(5) and (6) and (g) of the Code.

16 (2) The [Comptroller] **SECRETARY** shall sell at public auction a
17 conveyance that is seized under this title in connection with contraband alcoholic
18 beverages and forfeited.

19 (b) (1) The [Comptroller] **SECRETARY** shall sell contraband tobacco
20 products seized under this title and forfeited to a State institution, a nonprofit
21 charitable institution, a licensed cigarette wholesaler, or a licensed cigarette
22 manufacturer in the manner the [Comptroller] **SECRETARY** determines.

23 (2) The [Comptroller] **SECRETARY** shall sell at public auction a
24 conveyance that is seized under this title in connection with contraband tobacco
25 products and forfeited.

26 (c) (1) If either the [Comptroller] **SECRETARY** or, on appeal, a court
27 determines that seized conveyance or motor fuel is not subject to forfeiture:

28 (i) the [Comptroller] **SECRETARY** is not required to return the
29 motor fuel seized to the owner or other interested person who filed the claim for return
30 of the property, but may, at the option of the [Comptroller] **SECRETARY**, pay to the
31 person an amount equal to the value of the motor fuel as determined by the average
32 wholesale value on the date of seizure for the Baltimore Terminal as reported by a
33 nationally recognized oil price reporting service on the date of seizure; and

1 (ii) the [Comptroller] **SECRETARY** shall return the conveyance
2 to the registered owner and shall have no further liability to the registered owner.

3 (2) If a seized conveyance or motor fuel is forfeited, the [Comptroller]
4 **SECRETARY** shall:

5 (i) 1. use the contraband motor fuel for any public purpose;
6 or

7 2. sell the contraband motor fuel to any person; and

8 (ii) sell the seized conveyance to any person.

9 (d) In the manner required under Title 2 of this article for distributions of
10 revenue, the [Comptroller] **SECRETARY** shall distribute the net proceeds from the
11 sale of any conveyance or other property under this section after paying:

12 (1) the costs incurred in conjunction with the seizure and disposal of
13 the property;

14 (2) the cost of the sale; and

15 (3) any bona fide lien against the conveyance.

16 13–901.

17 (e) A claim for refund of motor carrier tax may be filed by a claimant who
18 has excess motor carrier tax credit, if:

19 (1) the claimant has provided the security required for a motor carrier
20 under § 13–825 of this title; or

21 (2) the [Comptroller] **SECRETARY** has audited the records of the
22 claimant.

23 (h) A claim for refund of tobacco tax may be filed by a claimant who buys
24 tobacco tax stamps that:

25 (1) are affixed erroneously to anything other than a package of
26 cigarettes;

27 (2) are affixed to a package of unsalable cigarettes;

28 (3) are canceled by the [Comptroller] **SECRETARY**;

1 (4) if the claim is \$250 or more, are lost or destroyed in the State due
2 to fire, flood, or other disaster, vandalism, or malicious mischief, except loss due to
3 theft; or

4 (5) mutilated or damaged, whether or not affixed to a package of
5 cigarettes.

6 13–905.

7 (d) The [Comptroller] **SECRETARY** may not pay a refund of excess motor
8 carrier tax credit unless the motor carrier has complied with Title 9, Subtitle 2 of this
9 article and regulations adopted under it for a full registration year and the
10 [Comptroller] **SECRETARY**, in the [Comptroller’s] **SECRETARY’S** discretion, allows
11 the refund.

12 SECTION 2. AND BE IT FURTHER ENACTED, That, on October 1, 2013, all
13 the functions, powers, duties, equipment, assets, liabilities, and employees of the
14 Office of the State Comptroller under Article 2B of the Code, Business Regulations
15 Article, and Tax – General Article, as enacted by this Act, shall be transferred to the
16 Department of Labor, Licensing, and Regulation.

17 SECTION 3. AND BE IT FURTHER ENACTED, That all appropriations held
18 by the State Comptroller to carry out the functions and programs transferred to the
19 Department of Labor, Licensing, and Regulation under this Act shall be transferred to
20 the Department of Labor, Licensing, and Regulation on October 1, 2013.

21 SECTION 4. AND BE IT FURTHER ENACTED, That an employee transferred
22 under this Act shall be appointed without further examination or qualification. The
23 employee shall be placed in a classification that is comparable in duties and
24 responsibilities to the employee’s former position. The employee may not suffer a
25 diminution of salary or wages, accrued leave, whether earned or granted, or seniority
26 rights.

27 SECTION 5. AND BE IT FURTHER ENACTED, That, except as expressly
28 provided to the contrary in this Act, any transaction affected by or flowing from any
29 statute here amended, repealed, or transferred, and validly entered into before the
30 effective date of this Act, and every right, duty, or interest following from the
31 transaction, remains valid after the effective date of this Act and may be terminated,
32 completed, consummated, or enforced pursuant to law.

33 SECTION 6. AND BE IT FURTHER ENACTED, That, except as otherwise
34 provided by law, all existing laws, rules and regulations, proposed rules and
35 regulations, standards and guidelines, policies, orders and other directives, forms,
36 plans, memberships, contracts, property, investigations, administrative and judicial
37 responsibilities, rights to sue and be sued, and all other duties and responsibilities
38 associated with the functions of the State Comptroller under Article 2B of the Code,
39 Business Regulations Article, and Tax – General Article, as enacted by this Act prior

1 to October 1, 2013, shall continue in effect under the Department of Labor, Licensing,
2 and Regulation until completed, withdrawn, canceled, modified, or otherwise changed
3 pursuant to law.

4 SECTION 7. AND BE IT FURTHER ENACTED, That the publisher of the
5 Annotated Code of Maryland, in consultation with and subject to the approval of the
6 Department of Legislative Services, shall correct, with no further action required by
7 the General Assembly, cross-references and terminology rendered incorrect by this
8 Act or by any other Act of the General Assembly of 2013 that affects provisions
9 enacted by this Act. The publishers shall adequately describe any such correction in an
10 editor's note following the section affected.

11 SECTION 8. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2013.