

**Maryland General Assembly
Department of Legislative Services**

**Proposed Regulation
Comptroller of the Treasury
(DLS Control No. 16-011)**

Overview and Legal and Fiscal Impact

This regulation amends existing regulations that specify filing deadlines for alcoholic beverage tax returns and reports. The regulation alters the filing frequency for licensed manufacturers and wholesalers of wine and liquor, extending the filing deadlines depending on whether the licensee is required to file the return on a monthly, quarterly, or semiannual basis.

The regulation presents no legal issue of concern.

There is minimal or no impact on State or local governments.

Regulation of COMAR Affected

Comptroller of the Treasury:

Alcohol and Tobacco Tax: Administration: COMAR 03.02.04.01

Legal Analysis

Summary of Regulation

Existing COMAR 03.02.04.01 requires manufacturers and wholesalers licensed to sell wine or liquor to file an alcoholic beverage tax return on or before the tenth of the month following the report month. Licensees must report monthly regardless of inactivity. This regulation amends Regulation .01A(1), requiring manufacturers and wholesalers to file a wine and liquor tax return under a prescribed filing frequency schedule.

The regulation also renumbers existing Regulation .01A(5) and (6) as .01A(6) and (7), respectively. New subsection .01A(5) requires the Comptroller to notify manufacturers and wholesalers of their filing frequency, which may be monthly, quarterly, or semiannually. The filing deadline for a monthly filer is the twentieth day of the month following the report month, the fifteenth day following the end of the quarter for a quarterly filer, and the fifteenth day of January and July for a semiannual filer.

Legal Issues

The regulation presents no legal issue of concern.

Statutory Authority and Legislative Intent

The Comptroller cites Article 2B, §§ 16-301 and 16-302 (to be recodified on June 1, 2016 as § 1-302 of the Alcoholic Beverages Article) and § 2-103 of the Tax – General Article as authority for this regulation. More specifically, § 16-301(a) of Article 2B and § 2-103 of the Tax – General Article generally authorize the Comptroller to adopt regulations relating to its duties under Article 2B and the alcoholic beverage tax, respectively. In addition, § 16-302 of Article 2B authorizes the Comptroller to adopt regulations for the proper enforcement of the article.

This authority is correct and complete. The regulation complies with the legislative intent of the law.

Technical Corrections and Special Notes

The Comptroller's Office has agreed to amend this regulation to make clarifying and technical changes.

Fiscal Analysis

There is minimal or no impact on State or local governments.

Agency Estimate of Projected Fiscal Impact

The regulation amends COMAR 03.02.04.01 to require manufacturers and wholesalers to file a wine and liquor tax return with the Comptroller's Office under a prescribed filing frequency schedule. The Comptroller must notify manufacturers and wholesalers of their filing frequency, which may be monthly, quarterly, or semiannually. The filing deadline for a monthly filer is the twentieth day of the month following the report month, the fifteenth day following the end of the quarter for a quarterly filer, and the fifteenth day of January and July for a semiannual filer. The regulation has minimal or no impact on State or local governments.

Impact on Budget

There is no impact on the State operating or capital budget.

Agency Estimate of Projected Small Business Impact

The Comptroller's Office advises that the regulation has minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs.

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