

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

House Joint Resolution 18 (Delegate Minnick. *et al.*)

Economic Matters

Alcoholic Beverages - Direct Shipment to Consumers

This joint resolution states that it is the policy of the General Assembly that direct shipment of alcoholic beverages to consumers in Maryland from entities located outside of Maryland is illegal and is contrary to the public policy of the State. The Office of the Comptroller is directed to continue its education, compliance, and enforcement efforts to protect the citizens and taxpayers of the State. Further, the President and Congress of the United States are urged to enact legislation resolving this problem. The Department of Legislative Services is to report to the House Economic Matters Committee and the Senate Economic and Environmental Affairs Committee by November 1, 1998 on the State regulation of alcoholic beverages. The report must include analysis of the regulation of alcoholic beverages and business practices regarding the sale of alcoholic beverages in other states, and on federal and State case law on alcoholic beverage regulation under antitrust laws and restrictions on the sale of alcoholic beverages.

Fiscal Summary

State Effect: None. Compliance with this joint resolution can be handled with existing resources. An independent study contracted by the Wine and Spirits Wholesalers of America estimates that Maryland loses approximately \$709,000 annually in excise and sales taxes due to the direct shipment of alcoholic beverages into the State. The required study could be absorbed with existing resources.

Local Effect: None.

Small Business Effect: Minimal.

Information Source(s): Office of the Comptroller (Alcohol and Tobacco Tax Unit),
Department of Legislative Services

Fiscal Note History: First Reader - March 5, 1998

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Revised - House Third Reader - April 6, 1998

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