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1999 Regular Session
91r0238

By: Delegate Hammen

Introduced and read first time: January 20, 1999

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

## 2 Alcoholic Beverage Tax - Out-of-State Wine - Exemption

- 3 FOR the purpose of creating an exemption from the alcoholic beverage tax for wine
- 4 brought or shipped into the State by a consumer for personal use under certain
- 5 circumstances; and generally relating to the alcoholic beverage tax.
- 6 BY repealing and reenacting, with amendments,
- 7 Article Tax General
- 8 Section 5-104
- 9 Annotated Code of Maryland
- 10 (1997 Replacement Volume and 1998 Supplement)
- 11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 12 MARYLAND, That the Laws of Maryland read as follows:
- 13 Article Tax General
- 14 5-104.
- 15 (a) The alcoholic beverage tax does not apply to an alcoholic beverage
- 16 that is:
- 17 (i) brought into the State by a person in accordance with:
- 18 an import-export permit under Article 2B, § 2-101(j) of
- 19 the Code;
- 20 2. a nonbeverage permit under Article 2B, § 2-101(c) of the
- 21 Code; or
- 22 3. a nonresident storage permit under Article 2B, § 2-101(p)
- 23 of the Code;
- 24 (ii) sold or delivered by a person who holds a Class E, F, or G
- 25 alcoholic beverage license, while the licensee is operating an aircraft, vessel, or train
- 26 outside boundaries of the State, including airspace and waterways;

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	(iii) possessed, or transported in the if:		wine that is family-produced and is brought into, an individual who is a member of that family			
4		1.	the individual is at least 21 years of age; and			
5 6	licensed national family beer a	2. nd wine	the beer or wine is for personal use or for entry in a exhibition; or			
7 8	(iv) brought into the State by a person for storage pending shipment outside of the State, if the alcoholic beverage:					
9		1.	is not held for sale, consignment, or delivery in the State;			
10		2.	is under a customs bond; and			
11		3.	is stored in a public bonded warehouse.			
14	(2) The exemption under paragraph (1)(ii) of this subsection does not apply to an alcoholic beverage sold or delivered by a person who holds a Class E, F, or G alcoholic beverage license while the licensee is operating an aircraft, vessel, or train within the boundaries of the State, including airspace and waterways.					
16	(b) (1) The alco	oholic be	verage tax does not apply to:			
	(i) authority of the United States federal reservation in the State	allows to	nolic beverage bought by a person whom a proper buy alcoholic beverages for sale and use on a ne person is assigned;			
	(ii) organization affiliated with an faith; or		ught and used for sacramental purposes by a religious ized by a generally acknowledged religious			
23 24	(iii) by a bona fide hospital.	wine or	distilled spirits bought and used for medicinal purposes			
	(2) A person under paragraph (1) of this subsection who pays the alcoholic beverage tax may obtain the exemption by filing a claim for refund with the Comptroller.					
28	(c) [(1)] The alc	oholic be	everage tax does not apply to:			
29 30	brings into the State for person		nolic beverage that a consumer at least 21 years of age			
31 32	(i) States does not exceed:	[if] the	quantity brought from within the continental United			
33		1.	at any one time, one quart;			
34		2.	in 1 calendar month, two quarts; and			

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1 2	time;		3.	a total of 1 gallon in the consumer's possession at any one			
3 4	Virgin Islands of the	(ii) United St		quantity brought from American Samoa, Guam, or the not exceed 1 gallon; or			
5 6	continental United Sta	(iii) ates does		otal quantity brought from any other place outside the ed 1 gallon, the 1st quart of that gallon; OR			
	(2) SHIPS BY COMMO CONSUMER:			CONSUMER AT LEAST 21 YEARS OF AGE BRINGS OR O THE STATE FOR PERSONAL USE IF THE			
10		(I)	PURCH	ASES THE WINE FROM A LICENSED WINERY;			
11		(II)	IS PRES	SENT AT THE WINERY WHEN PURCHASING THE WINE;			
12 13	HOME; AND	(III)	BRING	S OR SHIPS THE WINE DIRECTLY TO THE CONSUMER'S			
	4 (IV) BRINGS OR SHIPS A QUANTITY OF WINE THAT DOES NOT 5 EXCEED THE EQUIVALENT OF TWENTY-FOUR 750-MILLILITER CONTAINERS IN 1 6 CALENDAR MONTH.						
17 18	[(2)] (C)(1)(III) OF THIS	(D) SECTIO		umer under [paragraph (1)(iii) of this] subsection of the 1st quart by:			
19 20	Comptroller requires	[(i)] ; and	(1)	filing an application with the Comptroller on the form the			
21 22	alcoholic beverages t	[(ii)] hat excee	(2) eds 1 qua	paying the alcoholic beverage tax on the quantity of rt.			
23 24	SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 1999.						