
By: **Garrett County Delegation**

Introduced and read first time: January 27, 2006

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Garrett County - Beer Tax - Repeal**

3 FOR the purpose of repealing the county tax on beer sold or delivered in Garrett
4 County; and generally relating to the repeal of the county tax on beer in Garrett
5 County.

6 BY repealing and reenacting, with amendments,
7 Article - Tax - General
8 Section 5-102 and 5-105
9 Annotated Code of Maryland
10 (2004 Replacement Volume and 2005 Supplement)

11 BY repealing
12 Article - Tax - General
13 Section 5-304 and 13-1028
14 Annotated Code of Maryland
15 (2004 Replacement Volume and 2005 Supplement)

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

18 **Article - Tax - General**

19 5-102.

20 (a) Except as provided in § 5-104 of this subtitle, a tax is imposed on any
21 alcoholic beverage in the State.

22 (b) A tax is imposed on each person who sells or consigns an alcoholic beverage
23 in the State from a jurisdiction outside the State, if the Comptroller finds that, in
24 connection with the solicitation, sale, and distribution of alcoholic beverages, the
25 jurisdiction:

26 (1) requires a tax, assessment, or charge that is greater for alcoholic
27 beverages consigned from a Maryland licensee or permit holder than the amount

1 required for alcoholic beverages consigned from a licensee or permit holder in another
2 jurisdiction; and

3 (2) discriminates in fact against the licensee or permit holder of the
4 State.

5 (c) (1) [(i) Except as provided in subparagraph (ii) of this paragraph, a] A
6 county, municipal corporation, special taxing district, or other political subdivision of
7 the State may not impose a tax on any alcoholic beverage.

8 [(ii) A tax is imposed on beer sold or delivered in Garrett County in
9 addition to the tax imposed by the State under subsection (a) of this section.]

10 (2) The Comptroller may not impose the tax under subsection (b) of this
11 section on a person who has distillery plants in this and another state.

12 5-105.

13 (a) Except as provided in subsection [(e)] (D) of this section, the alcoholic
14 beverage tax rate for distilled spirits is:

15 (1) \$1.50 for each gallon or 39.63 cents for each liter; and

16 (2) if distilled spirits contain a percentage of alcohol greater than 100
17 proof, an additional tax, for each 1 proof over 100 proof, of 1.5 cents for each gallon or
18 0.3963 cents for each liter.

19 (b) Except as provided in subsection [(e)] (D) of this section, the alcoholic
20 beverage tax rate for wine is 40 cents for each gallon or 10.57 cents for each liter.

21 (c) Except as provided in subsection [(e)] (D) of this section, the alcoholic
22 beverage tax rate on beer is 9 cents for each gallon or 2.3778 cents for each liter.

23 [(d) The Garrett County beer tax rate is, in addition to the rate under
24 subsection (c) of this section:

25 (1) 2 cents for a beer container of 12 ounces or less or 0.3549 liters or
26 less;

27 (2) 3 cents for a beer container of more than 12 ounces or 0.3549 liters
28 but not more than 23 ounces or 0.6802 liters;

29 (3) 4 cents for a beer container of more than 23 ounces or 0.6802 liters
30 but not more than 31 ounces or 0.9168 liters;

31 (4) 6 cents for a beer container of more than 31 ounces or 0.9168 liters
32 but not more than 40 ounces or 1.183 liters; and

33 (5) 7 cents for a gallon or fraction of a gallon for a beer container of more
34 than 40 ounces or 1.183 liters.]

1 [(e)] (D) The tax imposed under § 5-102(b) of this subtitle shall equal the
2 amount that the discriminating jurisdiction charges a Maryland licensee or permit
3 holder.

4 [5-304.

5 (a) A person who sells or delivers beer into Garrett County shall pay the
6 Garrett County beer tax authorized under § 5-102(c)(1)(ii) of this title:

7 (1) to the county liquor control board before the person sells or delivers
8 the beer for consumption in the county; and

9 (2) by a method other than by tax stamps and in the manner that the
10 county liquor control board requires.

11 (b) Garrett County shall use the Garrett County beer tax revenue for general
12 county purposes.]

13 [13-1028.

14 A person who is required to pay the Garrett County beer tax and who willfully
15 fails to pay the tax as required under § 5-304 of this article is guilty of a misdemeanor
16 and, on conviction, is subject to a fine not exceeding \$5,000 or imprisonment not
17 exceeding 1 year or both.]

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 July 1, 2006.