

HOUSE BILL 866

A1, Q4

9lr0839

By: **Delegates Holmes, Barkley, Beidle, McConkey, Niemann, and Sophocleus**
Introduced and read first time: February 12, 2009
Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverages – Issuance, Renewal, and Transfer of Licenses and**
3 **Permits – Payment of State and Local Taxes**

4 FOR the purpose of requiring, before an alcoholic beverages license or permit may be
5 issued, the applicant to provide certain verification to the authority issuing the
6 license or permit that the applicant has paid all undisputed taxes or has
7 provided for payment in a certain manner; requiring that an application be
8 disapproved under certain circumstances; requiring that before an alcoholic
9 beverages license or permit may be renewed or transferred, the authority
10 renewing or approving the transfer of the license or permit verify in a certain
11 manner that the holder of the license or permit has paid all undisputed taxes or
12 has provided for payment in a certain manner; prohibiting a license-issuing
13 authority from renewing or approving the transfer of a license or permit under
14 certain circumstances; and generally relating to applicants and holders of
15 alcoholic beverages licenses and permits.

16 BY repealing and reenacting, with amendments,
17 Article 2B – Alcoholic Beverages
18 Section 10–202(a)(2)(ii), 10–301(a)(1)(ii)4., and 10–503(a)(2)
19 Annotated Code of Maryland
20 (2005 Replacement Volume and 2008 Supplement)

21 BY adding to
22 Article 2B – Alcoholic Beverages
23 Section 10–202.1 and 10–301.1
24 Annotated Code of Maryland
25 (2005 Replacement Volume and 2008 Supplement)

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **Article 2B – Alcoholic Beverages**

2 10–202.

3 (a) (2) (ii) The application shall be disapproved and the license for
4 which application is made shall be refused if the Board of License Commissioners for
5 the City or any county determines that:

6 1. The granting of the license is not necessary for the
7 accommodation of the public;

8 2. The applicant is not a fit person to receive the license
9 for which application is made;

10 3. The applicant has made a material false statement in
11 his application;

12 4. The applicant has practiced fraud in connection with
13 the application;

14 5. The operation of the business, if the license is
15 granted, will unduly disturb the peace of the residents of the neighborhood in which
16 the place of business is to be located; [or]

17 **6. THE VERIFICATION REQUIRED UNDER § 10–202.1**
18 **OF THIS SUBTITLE HAS NOT BEEN PROVIDED; OR**

19 [6.] 7. There are other reasons, in the discretion of the
20 board, why the license should not be issued.

21 **10–202.1.**

22 **BEFORE A LICENSE OR PERMIT MAY BE ISSUED UNDER THIS ARTICLE,**
23 **THE APPLICANT SHALL PROVIDE VERIFICATION FROM THE COMPTROLLER AND**
24 **THE POLITICAL SUBDIVISION WHERE THE ESTABLISHMENT FOR WHICH THE**
25 **LICENSE IS SOUGHT IS LOCATED TO THE AUTHORITY ISSUING THE LICENSE OR**
26 **PERMIT THAT THE APPLICANT HAS:**

27 **(1) PAID ALL UNDISPUTED TAXES PAYABLE TO THE**
28 **COMPTROLLER AND THE POLITICAL SUBDIVISION WHERE THE ESTABLISHMENT**
29 **FOR WHICH THE LICENSE IS SOUGHT IS LOCATED; OR**

30 **(2) PROVIDED FOR PAYMENT OF THE TAXES DESCRIBED IN ITEM**
31 **(1) OF THIS SECTION IN A MANNER SATISFACTORY TO THE GOVERNMENTAL**
32 **UNIT RESPONSIBLE FOR COLLECTION.**

1 10-301.

2 (a) (1) (ii) 4. Upon the filing of the renewal application, [and] upon
3 payment of the annual fee, **AND UPON COMPLIANCE WITH § 10-301.1 OF THIS**
4 **SUBTITLE**, the holder of the expiring license is entitled to a new license for another
5 year without the filing of further statements or the furnishing of any further
6 information unless specifically requested by the official authorized to approve the
7 license.

8 **10-301.1.**

9 (A) **BEFORE A LICENSE OR PERMIT MAY BE RENEWED OR**
10 **TRANSFERRED UNDER THIS ARTICLE, THE AUTHORITY RENEWING OR**
11 **APPROVING THE TRANSFER OF THE LICENSE OR PERMIT SHALL VERIFY:**

12 (1) (I) **THROUGH THE OFFICE OF THE COMPTROLLER, THAT**
13 **THE CURRENT HOLDER OF THE LICENSE OR PERMIT HAS PAID ALL UNDISPUTED**
14 **TAXES PAYABLE TO THE COMPTROLLER; AND**

15 (II) **THROUGH THE POLITICAL SUBDIVISION WHERE THE**
16 **LICENSED ESTABLISHMENT IS LOCATED, THAT THE CURRENT HOLDER OF THE**
17 **LICENSE OR PERMIT HAS PAID ALL UNDISPUTED TAXES PAYABLE TO THE**
18 **POLITICAL SUBDIVISION; OR**

19 (2) **THAT THE HOLDER OF THE LICENSE OR PERMIT HAS**
20 **PROVIDED FOR PAYMENT OF THE TAXES DESCRIBED IN ITEM (1) OF THIS**
21 **SUBSECTION IN A MANNER SATISFACTORY TO THE GOVERNMENTAL UNIT**
22 **RESPONSIBLE FOR COLLECTION.**

23 (B) **IF THE INFORMATION PROVIDED TO THE LICENSE-ISSUING**
24 **AUTHORITY STATES THAT THE CURRENT HOLDER OWES UNDISPUTED TAXES**
25 **AND HAS NOT PROVIDED FOR PAYMENT IN A MANNER SATISFACTORY TO THE**
26 **GOVERNMENTAL UNIT RESPONSIBLE FOR COLLECTION, THE AUTHORITY**
27 **ISSUING THE LICENSE OR PERMIT MAY NOT RENEW OR APPROVE THE TRANSFER**
28 **OF THE LICENSE OR PERMIT.**

29 10-503.

30 (a) (2) Any holder of a license under this article, including a receiver or
31 trustee for the benefit of creditors, may be permitted to transfer the holder's place of
32 business to some other location or sell or assign the license and transfer the holder's
33 stock in trade to another person, but only if:

34 (i) An application for the transfer or sale has been made;

1 (ii) All retail sales, amusement, admission, and withholding
2 taxes have been paid to the Comptroller of the Treasury of the State;

3 (iii) A bulk transfer permit is obtained if the stock of alcoholic
4 beverages is to be transferred whether by sale, gift, inheritance, assignment, or
5 otherwise, and irrespective of whether or not consideration is paid; [and]

6 (iv) The new location or assignee is approved by the board as in
7 the case of an original application for such a license under § 10-202 of this title; **AND**

8 **(v) THE PROVISIONS OF § 10-301.1 OF THIS TITLE HAVE**
9 **BEEN MET.**

10 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
11 July 1, 2009.