

Chapter 862

(Senate Bill 803)

AN ACT concerning

Alcoholic Beverages – Class 3 Wineries and Class 4 Limited Wineries – ~~Bulk Wine and Pomace Brandy Alterations~~

FOR the purpose of expanding the definition of “pomace brandy” authorized to be produced and sold by the holder of a Class 4 limited winery license; authorizing the holder of a Class 3 winery license to acquire bulk wine from the holder of a Class 4 limited winery license; authorizing the holder of a Class 4 limited winery license to sell and deliver bulk wine to the holder of a Class 3 winery license; clarifying that the holder of a Class 4 limited winery license must report all pomace brandy distilled and bottled by the holder as a distilled spirit for purposes of the alcoholic beverage tax; authorizing the Board of License Commissioners for Montgomery County to issue a Class D beer, wine, and liquor license to the holder of a Class 3 winery license under certain circumstances; and generally relating to Class 3 wineries and Class 4 limited wineries.

BY repealing and reenacting, without amendments,

Article – Alcoholic Beverages and Cannabis
Section 1–101(a) and, 2–206(a), (b), and (e)(1), and 25–102
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)

BY repealing and reenacting, with amendments,

Article – Alcoholic Beverages and Cannabis
 Section ~~2–205 and 2–206(c)(1)~~ 1–101(bb), 2–205, and 2–206(c)(1), (e)(2), and (k)
 Annotated Code of Maryland
 (2024 Replacement Volume and 2025 Supplement)

~~BY repealing and reenacting, without amendments,~~

~~Article – Alcoholic Beverages and Cannabis~~
~~Section 2–206(b)~~
~~Annotated Code of Maryland~~
~~(2024 Replacement Volume and 2025 Supplement)~~

BY adding to

Article – Alcoholic Beverages and Cannabis
Section 2–206(k) and 25–1612
Annotated Code of Maryland
(2024 Replacement Volume and 2025 Supplement)

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

Article – Alcoholic Beverages and Cannabis

1-101.

(a) In this article the following words have the meanings indicated.

(bb) “Pomace brandy” means:

(1) brandy that is distilled from the pulpy residue of wine pressing, including the skins, pips, and stalks of grapes; OR

(2) A BRANDY, NOT EXCEEDING 80 PROOF, THAT IS DISTILLED BY A CLASS 4 LIMITED WINERY LICENSE FROM WINE PRODUCED UNDER THE CLASS 4 LIMITED WINERY LICENSE WITH INGREDIENTS THAT INCLUDE AT LEAST 51% MARYLAND-GROWN AGRICULTURAL PRODUCTS.

2-205.

(a) There is a Class 3 winery license.

(b) A license holder may:

(1) establish and operate a plant for fermenting and bottling wine at the location described in the license;

(2) import bulk wine from the holder of a nonresident dealer’s permit;

(3) ACQUIRE BULK WINE FROM THE HOLDER OF A CLASS 4 LIMITED WINERY LICENSE;

(4) sell and deliver wine to:

(i) a holder of a wholesaler’s license;

(ii) a holder of a permit that is authorized to acquire wine; and

(iii) a person outside the State that is authorized to acquire wine;

[(4)] (5) subject to subsection (c) of this section, sell at retail wine made at the plant from products grown in the State to an individual participating in a guided tour of the plant; and

~~[(5)] (6)~~ serve, at no charge, not more than 6 ounces of wine made at the plant to an individual who has attained the legal drinking age and is participating in a guided tour of the plant.

(c) An individual may purchase wine under subsection ~~[(b)(4)] (B)(5)~~ of this section if the individual has attained the legal drinking age.

(d) The license holder shall report to the Executive Director annually on a form provided by the Executive Director on:

(1) the amount of alcoholic beverages produced under the license;

(2) the amount of alcoholic beverages sold for off-premises consumption;
and

(3) the amount of alcoholic beverages served for on-premises consumption.

(e) Except as otherwise provided by law, the license holder may not sell alcoholic beverages for off-premises consumption to a person who intends to resell the alcoholic beverages.

(f) The annual license fee:

(1) shall be determined by the Executive Director; and

(2) may not exceed \$750.

2-206.

(a) (1) In this section, "Maryland-grown agricultural product" means any product produced or cultivated on a farm or vineyard in the State.

(2) "Maryland-grown agricultural product" does not include:

(i) cannabis; or

(ii) any other product containing tetrahydrocannabinol as defined in § 36-1102 of this article.

(b) There is a Class 4 limited winery license.

(c) (1) A license holder may:

(i) subject to paragraph (2) of this subsection, from available Maryland agricultural products:

1. ferment and bottle wine; and
 2. distill and bottle pomace brandy; [and]
- (ii) sell and deliver the wine and pomace brandy to:
1. a holder of a wholesaler's license;
 2. a holder of a permit that is authorized to acquire wine or pomace brandy; or
 3. a person outside the State that is authorized to acquire wine or pomace brandy; AND

(III) SELL AND DELIVER BULK WINE TO THE HOLDER OF A CLASS 3 WINERY LICENSE.

(e) A license holder may:

(1) store on its licensed premises, in a segregated area approved by the Executive Director, the product of other Class 4 limited wineries to be used at Maryland Wineries Association promotional activities, provided records are maintained and reports filed regarding the storage under this item as may be required by the Executive Director;

(2) SUBJECT TO SUBSECTION (K) OF THIS SECTION, distill and bottle not more than 1,900 gallons of pomace brandy made from available Maryland agricultural products;

(K) ALL POMACE BRANDY DISTILLED AND BOTTLED BY THE LICENSE HOLDER SHALL BE REPORTED BY THE LICENSE HOLDER AS A DISTILLED SPIRIT IN ACCORDANCE WITH TITLE 5 OF THE TAX – GENERAL ARTICLE.

[(k)] (L) The annual license fee:

- (1) shall be determined by the Executive Director; and
- (2) may not exceed \$200.

25-102.

This title applies only in Montgomery County.

25-1612.

(A) THIS SECTION APPLIES ONLY TO SILVER SPRING.

(B) THE BOARD MAY ISSUE A CLASS D BEER, WINE, AND LIQUOR LICENSE TO THE HOLDER OF A CLASS 3 WINERY LICENSE THAT PRODUCES NOT MORE THAN 20,000 GALLONS OF WINE EACH YEAR.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2026.

Approved by the Governor, May 26, 2026.