

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-142. Definitions

(a) In general.

In this part the following words have the meanings indicated.

(b) Common carrier.

(1) "Common carrier" means a business entity that:

(i) holds itself out as being available to the public to transport in interstate or foreign commerce for compensation any class of passenger or property; and

(ii) holds a common carrier permit issued under Section 2-151 of this subtitle.

(2) "Common carrier" does not include a business entity that transports only property the business entity owns or that is consigned to the business entity.

(c) Direct wine shipper.

"Direct wine shipper" means the holder of a direct wine shipper's permit issued under this part.

[Sec. 2-142 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-143. Permit required

A person shall be issued a direct wine shipper's permit by the Comptroller before the person may engage in shipping wine directly to a consumer in the State.

[Sec. 2-143 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-144. Qualification for permit

To qualify for a direct wine shipper's permit, an applicant shall be:

(1) a person licensed outside the State to engage in the manufacture of wine; or

(2) a holder of a Class 3 manufacturer's license or a Class 4 manufacturer's license.

[Sec. 2-144 added by L. 2016, Ch. 41 (S.B. 724); as amended by L. 2017, Ch. 468 (H.B. 987), approved May 4, 2017, effective Jul. 1, 2017.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-145. Application for permit

(a) An applicant for a direct wine shipper's permit shall:

(1) submit to the Comptroller a completed application on a form that the Comptroller provides;

(2) provide to the Comptroller a copy of the applicant's current license;

(3) identify the wines manufactured by the applicant that the applicant intends to ship into the State; and

(4) pay a fee of \$200 for initial issuance of the direct wine shipper's permit.

(b) Issuance of permit.

The Comptroller shall issue a direct wine shipper's permit to each applicant who meets the requirements of this part for the permit.

[Sec. 2-145 added by L. 2016, Ch. 41 (S.B. 724); as amended by L. 2017, Ch. 468 (H.B. 987), approved May 4, 2017, effective Jul. 1, 2017.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-146. Scope of authorization

A direct wine shipper's permit entitles the holder to sell wine manufactured by the holder through a holder of a common carrier permit to a consumer by receiving and filling orders that the consumer transmits by electronic or other means.

[Sec. 2-146 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-147. Term of permit

The term of a direct wine shipper's permit is 1 year and begins on July 1.

[Sec. 2-147 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-148. Duties of shipper; restrictions on shipping

(a) Duties of direct wine shipper.

A direct wine shipper shall:

(1) ensure that all containers of wine shipped directly to a consumer in the State are conspicuously labeled with:

(i) the name of the direct wine shipper;

(ii) the name and address of the consumer who is the intended recipient; and

(iii) the words "Contains Alcohol: Signature of Person at Least 21 Years of Age Required for Delivery";

(2) report to the Comptroller information about the direct wine shipper's wine shipments, in a manner that the Comptroller determines;

(3) file a quarterly tax return in accordance with Section 5-201(d) of the Tax—General Article;

(4) pay quarterly to the Comptroller all sales taxes and excise taxes due on sales to consumers in the State and calculate the taxes as if the sale were made in the State;

(5) maintain for 3 years complete and accurate records of all information needed to verify compliance with this part;

(6) allow the Comptroller to perform an audit of the direct wine shipper's records on request; and

(7) consent to the jurisdiction of the Comptroller or other State unit and the State courts concerning enforcement of this section and any related law.

(b) Restrictions on shipping.

A direct wine shipper may not:

(1) ship more than 18 9-liter cases of wine each year to a single delivery address; or

(2) cause wine to be delivered on Sunday to an address in the State.

[Sec. 2-148 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-149. Renewal of permit

(a) A direct wine shipper may renew its direct wine shipper's permit each year if the direct wine shipper:

(1) is otherwise entitled to have a direct wine shipper's permit;

(2) provides to the Comptroller a copy of its current permit;

(3) identifies the wines manufactured by the direct wine shipper that the direct wine shipper intends to ship into the State; and

(4) pays to the Comptroller a renewal fee of \$200.

(b) Grounds for denying renewal.

The Comptroller may deny a renewal application of a direct wine shipper who fails to:

(1) file a tax return required under this part;

(2) pay a fee or tax when due; or

(3) after receiving notice, comply with this article or a regulation that the Comptroller adopts under this article.

[Sec. 2-149 added by L. 2016, Ch. 41 (S.B. 724); as amended by L. 2017, Ch. 468 (H.B. 987), approved May 4, 2017, effective Jul. 1, 2017.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-150. Requirements for recipients

(a) In general.

To receive a direct shipment of wine, a consumer in the State shall be at least 21 years old.

(b) Resale prohibited.

A person who receives a shipment of wine shall use the shipment for personal consumption only and may not resell the shipment.

[Sec. 2-150 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-151. Common carrier permit

(a) Established.

There is a common carrier permit.

(b) Scope of authorization.

A holder of a common carrier permit may deliver wine from a location inside or outside the State to a consumer in the State for the consumer's personal use under this part.

(c) Permit required.

A person shall be issued a common carrier permit before the person may engage in transporting wine from a direct wine shipper to a consumer.

(d) Term of permit.

The term of a common carrier permit is 1 year and begins on July 1.

(e) Requirements for delivery.

To complete delivery of a shipment, the common carrier shall require from a consumer at the address listed on the shipping label:

(1) the signature of the consumer or another individual at the address who is at least 21 years old; and

(2) government-issued photographic identification showing that the signing individual is at least 21 years old.

(f) Refusal of delivery by common carrier.

A common carrier shall refuse delivery when the intended receiving individual appears to be under the age of 21 years or refuses to present valid identification.

(g) Information required of common carrier.

At the time of initial application for a common carrier permit and on request of the Comptroller, a common carrier shall submit to the Comptroller information concerning the training of its drivers in verifying the age of recipients of direct wine shipments under this part.

(h) Verification of wine shipper permit required annually.

At least once each year, in a manner acceptable to the Comptroller, a holder of a common carrier permit shall verify that the shipper of wine into the State under this part holds a valid direct wine shipper's permit.

(i) Transportation permit not required.

A holder of a common carrier permit that delivers wine solely under this part may not be required to obtain a transportation permit issued under Section 2-118 or Section 2-119 of this subtitle in addition to the common carrier permit.

(j) Fee.

The permit fee is \$100.

[Sec. 2-151 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-152. Reports and records

(a) Required reports.

A common carrier shall report quarterly to the Comptroller:

- (1) the date of each delivery of wine in the State; and
- (2) the name and address of the direct wine shipper and the receiving consumer of each delivery.

(b) Records to be maintained for 3 years.

A common carrier shall maintain for 3 years complete and accurate records of all information needed to verify compliance with this part.

[Sec. 2-152 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-153. Direct shipping without permit prohibited

A person without a direct wine shipper's permit may not ship wine directly to a consumer in the State.

[Sec. 2-153 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]

Part V. Direct Wine Shipper's and Common Carrier Permits. > Maryland, §2-154. Violations of part

Each violation of this part is a separate violation.

[Sec. 2-154 added by L. 2016, Ch. 41 (S.B. 724), approved Apr. 12, 2016, effective Jul. 1, 2016.]