

#37 Protecting alcohol, tobacco and motor fuel consumers

What you should know about alcohol tax laws

Am I allowed to bring alcoholic beverages into Maryland from another state or the District of Columbia?

You may personally bring into Maryland from another state one quart of legally manufactured alcoholic beverage at any one time, not to exceed two quarts per month. Beyond that level, you cannot import, transport, or possess in Maryland alcoholic beverages upon which Maryland taxes have not been paid. Also, you may not have alcoholic beverages sent to you by out-of-state mail order suppliers or the Internet.

What about beverages brought from outside the United States?

You may bring into Maryland for your personal use no more than one gallon of alcoholic beverage purchased outside the continental limits of the U.S., including Canada and Mexico. One quart of this is tax-free in Maryland, but you must pay tax on the remaining three quarts. In the case of the Virgin Islands, American Samoa or Guam, you may bring back one gallon of alcoholic beverage tax-free.

How do I pay tax on the remaining three quarts purchased outside the continental United States?

Contact the **Motor-fuel, Alcohol and Tobacco Tax Unit** at 410-260-7131 to obtain the necessary forms and instructions.

How old must I be to bring these beverages into Maryland?

The minimum legal age to bring alcoholic beverages into Maryland is 21.

If I am permanently moving into Maryland, may I bring alcoholic beverages that are part of my household effects?

Yes. You must obtain a Change of Domicile permit from the Motor-fuel, Alcohol and Tobacco Tax Unit. All alcoholic beverages must be for personal use only and are subject to the Maryland excise tax.

What about military personnel?

Active and retired military personnel and dependents may bring one quart of legally manufactured alcoholic beverage from an armed forces exchange or commissary, not to exceed two quarts per month. They are also limited to two cartons of cigarettes purchased from an armed forces exchange or commissary.

Can I make my own distilled spirits legally?

No, you cannot manufacture or blend distilled spirits except on premises licensed under Maryland law. In addition, you cannot possess, buy, sell, or manufacture any materials or equipment used or intended for use in connection with the unlawful manufacture of distilled spirits.

What about beer and wine?

You may manufacture beer and wine for your own personal use. If you reside in St. Mary's County, you may also manufacture and sell wine.

Am I required to have a license to sell alcoholic beverages?

Yes. You cannot transport or sell alcoholic beverages in Maryland without the proper license. Retailers must also purchase their product from licensed wholesalers.

I've heard about expensive liquor bottles being refilled with cheaper brands - what's the scoop on this?

It is unlawful for any licensed retail dealer to tamper with or alter the contents of any container of alcoholic beverage. Enforcement agents routinely test suspicious bottles to enforce this provision of the law.

Why is moonshine illegal?

Even though moon-shining became a dying art when Prohibition ended decades ago, enforcement agents continue to arrest makers of illegal alcohol to protect the public health and the public dollar. For every gallon of moonshine sold, the state loses \$1.50 in tax revenue and the federal government loses \$13.50! Moonshine is often produced under unsanitary conditions. Lye or other dangerous materials are used to speed the fermentation process and stills often contain poisonous lead.

What you should know about tobacco tax laws

How many cigarettes may I bring into Maryland from another state?

You are limited to the possession of only two packs of cigarettes at any time not taxed in Maryland.

What if I'm a nonresident?

In that case, you are limited to the possession and transportation of only one carton of cigarettes - and you must be passing through Maryland.

What does the law say about "butt-legging" - buying cigarettes in states with low tobacco taxes and selling them at a profit in high tax states?

All cigarettes that do not bear the proper state tax stamps but are subject to the tobacco tax may be seized as contraband by the Field Enforcement Division of the Comptroller's Office.

What you should know about fuel quality

Does Maryland check motor fuel quality?

Yes. Agents and Inspectors from the **Field Enforcement Division** routinely sample petroleum products all along the supply chain in Maryland from the terminal to the retail pump. The samples are delivered to the Comptroller's motor fuel testing laboratory in Jessup where laboratory staff test the octane rating of gasoline, qualities which govern summer vapor lock and quick winter starts, and other factors. They also check for contamination with water and other substances. Any product that fails to meet quality standards is taken off the marketplace until the problem is corrected.

Has the inspection program been successful?

Yes. Out of more than one billion gallons of gasoline that are sampled every year, only a fraction of 1 percent fails to meet quality standards. That's a great improvement over the 10 percent failure rate discovered when the inspection program began over three decades ago.

I recently purchased fuel that I believed caused a problem with my vehicle. What should I do?

Contact the Field Enforcement Division immediately at 410-260-7388. Tell them when and where you purchased the product, and an agent or inspector will be sent to the location to pick up a sample and deliver it to the laboratory for testing.

What you should know about enforcement

The Field Enforcement Division protects the public dollar and public health by halting illegal bootlegging, cigarette "butt-legging," sales of substandard petroleum products and fraudulent sales of liquor products. Special agents and inspectors are assigned throughout Maryland to give our citizens and law enforcement agencies quick assistance and complete information regarding these laws. Please report all violations and information concerning these laws to the headquarters of the Field Enforcement Division at 410-260-7388 from Central Maryland, or toll-free 1-888-674-0017 from elsewhere in Maryland.