

## **AFFIDAVIT OF BREAKAGE**

This Affidavit of Breakage (“Affidavit”) is made this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by the undersigned individual in their authorized capacity (“Authorized Person”) on behalf of the below-indicated licensed alcoholic beverage-related business entity (“Licensee”) for the benefit of both the (a) Maryland Alcohol, Tobacco and Cannabis Commission (“ATCC”) and (b) Office of the State Comptroller for Maryland (“Comptroller”). Authorized Person, Licensee, ATCC and Comptroller may hereinafter be collectively referred to as “Parties” in this Affidavit.

### **PURPOSE**

The purpose of this Affidavit is to define those specific facts and circumstances under which a “Gallon Adjustment” is sought by Authorized Person and/or Licensee from the Comptroller based upon the existence of licensed alcoholic beverage goods (“Goods”) which are broken, destroyed or otherwise distressed during shipment, delivery and/or other processing stages thereby rendering those same Goods unmarketable for retail sales purposes (n.b. such loss of Goods is commonly referred to as “Breakage” within the applicable industries).

### **RECITALS**

In consideration of the mutual promises and benefits set forth herein and/or received by the Parties as a result hereof, the receipt and sufficiency of which are hereby acknowledged, Authorized Person who is at least twenty-one (21) years of age and otherwise legally competent to testify to all matters set forth by this Affidavit does hereby state as follows, namely, that:

1. Authorized Person is in fact authorized to act on behalf of the below-indicated Licensee in their duly-appointed and/or otherwise legally sufficient business position with that same Licensee (see below for Title of Authorized Person).
2. Authorized Person is therefore authorized to bind that same Licensee as to the truthfulness of all matters set forth by this Affidavit including but not limited to any attachments hereto by the mere existence of the Authorized Person’s signature below.
3. Licensee has suffered actual loss as a result of the applicable Breakage in the amount of \_\_\_\_\_ (Total No. of Gallons) of \_\_\_\_\_ (Type of Alcoholic Beverage, e.g. wine, beer or spirits) for the purposes of its associated claim for reduction of the gallon amount subject to the Maryland Alcoholic Beverage Excise Tax (“Claim”) as of on or about \_\_\_\_\_ (“Date of Loss”).
4. Licensee has retained physical evidence of Breakage to support this Claim including, but not limited to, broken or deformed cans, glass, labels, necks and seals (“Evidence”).
5. Photographic images of the Evidence is attached hereto. Authorized Person attests that the photographic images attached hereto constitute fair and accurate representations of the Evidence.

6. Licensee shall retain such Evidence upon its licensed business premises for a time period of at least forty-five (45) calendar days from the date of submission of this Affidavit to the ATCC and Comptroller (“Retention Period”) during which Retention Period authorized agents of the ATCC and/or Comptroller may randomly inspect such Evidence for the purposes of this Affidavit.

7. Licensee acknowledges that its failure to (a) retain the Evidence during the Retention Period and/or (b) permit random inspection during the Retention Period will constitute grounds for automatic denial of the Claim.

8. Authorized Person and/or Licensee shall submit this Affidavit once completed and executed in that manner set forth hereby to both the ATCC via email to [trade.practices@maryland.gov](mailto:trade.practices@maryland.gov) and the Comptroller via email to [BreakageAffidavits@marylandtaxes.gov](mailto:BreakageAffidavits@marylandtaxes.gov) for further processing.

**DECLARATION AND AFFIRMATION UNDER PENALTIES OF PERJURY**

I do hereby solemnly declare and affirm under the penalties of perjury that the contents of the foregoing Affidavit are true and correct to the best of my knowledge, information and belief.

\_\_\_\_\_  
Signature of Authorized Person

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title of Authorized Person

\_\_\_\_\_  
Name of Licensee