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MARYLAND ALCOHOL, TOBACCO, AND CANNABIS COMMISSION

Alcohol Compliance Bulletin ACB – 24-001

REPORTING REQUIREMENTS FOR MANUFACTURERS WITH DIRECT-TO-CONSUMER DELIVERY AND SHIPPING AUTHORIZATION

Subject: Chapter Bill 594 (SB448) of the Acts of 2023: Statutory Amendments and reporting requirements for direct delivery and shipment of beer and liquor to consumers

This bulletin is directed to Maryland Manufacturers ("Manufacturers") of beer and liquor who deliver and/or ship their products directly to consumers with prior authorization from the Alcohol, Tobacco, and Cannabis Commission ("ATCC") pursuant to Maryland Alcoholic Beverages and Cannabis Article ("ABCA") §2-219. The privilege granted to Manufacturers by Chapter Bill 594 (SB448) of the Acts of 2023, terminates on June 30, 2024. Furthermore, it should be noted that this privilege is limited to license holders that received authorization to deliver and/or ship their products directly to consumers by the ATCC on or before April 6, 2023. Passage of this law also amended ABCA §2-219, creating new sales reporting requirements that became effective on July 1, 2023. This advisory is intended to summarize those changes and provide instructions for the submission of the first report, which will be due no later than December 1, 2023.

First, the law places a limit on the total quantity of liquor and beer that a licensed manufacturer may directly ship or deliver to a particular consumer within a calendar year. Authorized liquor manufacturers may directly ship no more than the equivalent of 18 standard sized 750ml bottles of liquor products to a single consumer each year. Authorized beer manufacturers may directly ship no more than 3,456 ounces of beer (the volume of beer in 12 standard cases) to a single consumer each year.

Second, the General Assembly directs each manufacturer who has made direct to consumer sales pursuant to ABCA §2-219 to report the amount of beer and liquor that they have shipped and delivered directly to consumers in the State. These reports mandated by the legislature must be submitted to the ATCC on or before December 1, 2023 and again on or before June 1, 2024. Manufacturers that shipped or delivered product directly to consumers pursuant to ABCA

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¹ See ABCA §2-219 (d)

§2-219 shall begin compiling reporting data using the template form that is attached to this advisory.

For each quarter (or partial quarter) since ABCA §2-219 went into effect on May 18, 2021, Manufacturers will be expected to separately enter the total amount (in liquid volume) of liquor and beer delivered to consumers by employees of the license holder or shipped to consumers via a common carrier. Additionally, Manufacturers shall report the schedule of deliveries and shipments to individual consumers after July 1, 2023 to ensure that the quantity delivered to each consumer is within the yearly quantity limit established by the bill.

The attached template shall be filled out completely and accurately by each Manufacturer and contain complete delivery and shipment data up to and including October 31, 2023. It shall be submitted by email on or before the close of business on December 1, 2023 to Andrew Waters, Regulatory and Research Section Manager within the ATCC at the following email address: Andrew.waters@maryland.gov.

A form for the submission of the second report, containing data beginning November 1, 2023, shall be provided by the ATCC to Manufacturers at a later date. Manufacturers are required to continue collecting and tracking this sales data to be able to efficiently complete the second report by June 1, 2024.

If you have any questions or concerns regarding this bulletin, please do not hesitate to contact our offices at 443-330-6990 or email Jeffrey M. Hann, Assistant Director of the Legal and Legislative Division, at Jeffrey.hann@maryland.gov.

Jeffrey A. Kelly
Executive Director
Alcohol, Tobacco, and Cannabis Commission

