

BULLETIN



Comptroller of the Treasury 1 Alcohol and Tobacco Tax Unit 1 Goldstein Treasury Building 1 P.O. Box 2999
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No. AB-15

May 22, 1997

TO: All Alcoholic Beverages Wholesalers and Non-Resident Dealers

SUBJECT: Mail Order Alcohol -- Recent Violations

On July 15, 1994, the Alcohol and Tobacco Tax Unit issued Bulletin #AB-1 on the subject of mail order alcohol. The purpose of this bulletin was to inform licensees that direct shipments of alcoholic beverages to consumers in this state was prohibited by Article 2B of the Annotated Code of Maryland. The notice further pointed out that any "mail order" alcoholic beverages shipped into Maryland would be considered contraband and that the Tax-General Article provided for the seizure of any contraband product and any vehicle or conveyance used to transport such contraband.

In addition to confiscation provisions as noted above, Non-Resident Dealer permit holders or other licensees are subject to having their license or permit suspended or revoked if found guilty of participating in mail order or direct shipment transactions. Recently, two Non-Resident Dealers, who admitted to engaging in these activities, elected to pay a monetary fine in lieu of a permit

suspension, as provided by Section 10-402 of Article 2B. The Non-Resident Dealers and respective fines are as follows:

Majestic Marketing Group Ltd. \$35,000.00
T/A Kendall-Jackson Winery
Santa Rosa, California

St. Helena Wine Company, Inc. \$ 5,000.00
T/A Duckhorn Vineyards
St. Helena, California

The Alcohol and Tobacco Tax Unit will continue to vigorously enforce compliance with Maryland laws prohibiting the direct shipment of alcoholic beverages to consumers in this state. Non-Resident Dealers and wholesalers are advised that in addition to administrative action against license or permit holders, future action may include seizure of conveyances used to transport contraband product into this state.

Charles W. Ehart, DPA
Administrator

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