

Article - Business Regulation

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§16–206. IN EFFECT

(a) A manufacturer license authorizes the licensee to:

(1) sell unstamped cigarettes to:

(i) a licensed cigarette wholesaler located in Maryland; and

(ii) a licensed cigarette wholesaler located outside of Maryland if the unstamped cigarettes may lawfully be sold in Maryland;

(2) except as otherwise prohibited or restricted under local law, this article, or the Criminal Law Article, distribute sample cigarettes to consumers located in Maryland;

(3) store unstamped cigarettes in a licensed cigarette storage warehouse for subsequent shipment to licensed wholesalers, federal reservations, or persons out of state; and

(4) upon approval of the Comptroller, act as an agent of a Maryland licensed wholesaler for stamping and distribution of cigarettes.

(b) A retailer license authorizes the licensee to:

(1) act as a retailer; and

(2) buy stamped cigarettes from a subwholesaler or wholesaler.

(c) (1) A storage warehouse license authorizes the licensee to operate a storage facility in Maryland for the purpose of storing unstamped cigarettes on behalf of a licensed cigarette manufacturer.

(2) If a storage warehouse licensee is a licensed cigarette wholesaler or licensed cigarette subwholesaler, the storage warehouse license authorizes the holder to store stamped cigarettes and cigarettes with another state's tax stamp.

(d) A subwholesaler license authorizes the licensee to:

(1) act as a subwholesaler;

(2) buy stamped cigarettes from a wholesaler or another subwholesaler; and

(3) store stamped cigarettes and cigarettes with another state's tax stamp at a licensed cigarette storage facility.

(e) A vending machine operator license authorizes the licensee to:

(1) act as a vending machine operator; and

(2) buy stamped cigarettes from a subwholesaler or wholesaler.

(f) A wholesaler license authorizes the licensee to:

(1) act as a wholesaler;

(2) buy unstamped cigarettes directly from a cigarette manufacturer;

(3) hold unstamped cigarettes;

(4) buy tobacco tax stamps as authorized by § 12-303 of the Tax – General Article;

(5) transport unstamped cigarettes in the State;

(6) sell unstamped cigarettes to another licensed wholesaler if the Comptroller specifically authorizes;

(7) upon approval of the Comptroller, designate a licensed manufacturer to act as its agent for the stamping and distribution of cigarettes; and

(8) store stamped cigarettes and cigarettes with another state's tax stamp at a licensed cigarette storage facility.

§16-206. ** TAKES EFFECT JUNE 1, 2020 PER CHAPTER 12 OF 2019 **

(a) A manufacturer license authorizes the licensee to:

(1) sell unstamped cigarettes to:

(i) a licensed cigarette wholesaler located in Maryland; and

(ii) a licensed cigarette wholesaler located outside of Maryland if the unstamped cigarettes may lawfully be sold in Maryland;

(2) except as otherwise prohibited or restricted under local law, this article, or the Criminal Law Article, distribute sample cigarettes to consumers located in Maryland;

(3) store unstamped cigarettes in a licensed cigarette storage warehouse for subsequent shipment to licensed wholesalers, federal reservations, or persons out of state; and

(4) upon approval of the Executive Director, act as an agent of a Maryland licensed wholesaler for stamping and distribution of cigarettes.

(b) A retailer license authorizes the licensee to:

(1) act as a retailer; and

(2) buy stamped cigarettes from a subwholesaler or wholesaler.

(c) (1) A storage warehouse license authorizes the licensee to operate a storage facility in Maryland for the purpose of storing unstamped cigarettes on behalf of a licensed cigarette manufacturer.

(2) If a storage warehouse licensee is a licensed cigarette wholesaler or licensed cigarette subwholesaler, the storage warehouse license authorizes the holder to store stamped cigarettes and cigarettes with another state's tax stamp.

(d) A subwholesaler license authorizes the licensee to:

(1) act as a subwholesaler;

(2) buy stamped cigarettes from a wholesaler or another subwholesaler; and

(3) store stamped cigarettes and cigarettes with another state's tax stamp at a licensed cigarette storage facility.

(e) A vending machine operator license authorizes the licensee to:

(1) act as a vending machine operator; and

(2) buy stamped cigarettes from a subwholesaler or wholesaler.

(f) A wholesaler license authorizes the licensee to:

- (1) act as a wholesaler;
- (2) buy unstamped cigarettes directly from a cigarette manufacturer;
- (3) hold unstamped cigarettes;
- (4) buy tobacco tax stamps as authorized by § 12-303 of the Tax – General Article;
- (5) transport unstamped cigarettes in the State;
- (6) sell unstamped cigarettes to another licensed wholesaler if the Executive Director specifically authorizes;
- (7) upon approval of the Executive Director, designate a licensed manufacturer to act as its agent for the stamping and distribution of cigarettes; and
- (8) store stamped cigarettes and cigarettes with another state's tax stamp at a licensed cigarette storage facility.

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