

the taxpayer shall request in writing a hearing before the Comptroller, at which hearing the necessity, propriety and amount of the bond shall be determined by the Comptroller. Such determination by the Comptroller shall be final and shall be complied with within fifteen (15) days after the taxpayer is given notice thereof.

(2) In lieu of the bond required by this section, securities approved by the Comptroller or cash in such amount as he may prescribe may be deposited, which shall be kept in the custody of the Comptroller, who may at any time, without notice to the depositor, apply them to any tax ~~and/or~~, interest or penalties due, and for that purpose the securities may be sold by the Comptroller at public or private sale without notice to the depositor.

(B) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, THE COMPTROLLER MAY EXEMPT A PERSON FROM POSTING A BOND OR OTHER SECURITY FOR THE TOBACCO TAX UNDER THIS SECTION IF THE PERSON IS AND HAS BEEN FOR THE PAST 5 YEARS:

(1) LICENSED AS A DISTRIBUTOR UNDER §§ 445 THROUGH 448 OF THIS SUBTITLE AND AS A WHOLESALER UNDER ARTICLE 56, §§ 63 THROUGH 74 OF THE CODE; AND

(2) (I) IN CONTINUOUS COMPLIANCE WITH THE TOBACCO TAX LAWS, AS DETERMINED UNDER SUBSECTION (C) OF THIS SECTION; AND

(II) IN CONTINUOUS COMPLIANCE WITH THE CONDITIONS OF THE PERSON'S BOND OR OTHER SECURITY FURNISHED UNDER THIS SECTION.

(C) FOR PURPOSES OF SUBSECTION (B) OF THIS SECTION, A PERSON IS IN CONTINUOUS COMPLIANCE WITH THE TOBACCO TAX LAWS FOR A PERIOD IF THE PERSON HAS NOT, AT ANY TIME DURING THAT PERIOD:

(1) FAILED TO PAY ANY TOBACCO TAX OR ANY TOBACCO TAX ASSESSMENT WHEN DUE;

(2) FAILED TO FILE A TOBACCO TAX RETURN WHEN DUE; OR

(3) OTHERWISE VIOLATED ANY OF THE PROVISIONS OF THIS SUBTITLE OR ARTICLE 56, §§ 63 THROUGH 74 OF THE CODE.

(D) (1) AN EXEMPTION GRANTED UNDER SUBSECTION (B) OF THIS SECTION IS EFFECTIVE ONLY TO THE EXTENT THAT A PERSON'S POTENTIAL TOBACCO TAX LIABILITY DOES NOT EXCEED AN AMOUNT DETERMINED BY THE COMPTROLLER BASED ON THE PERSON'S EXPERIENCE DURING THE 5-YEAR COMPLIANCE PERIOD UNDER SUBSECTION (B) OF THIS SECTION.

(2) THE COMPTROLLER MAY REVOKE AN EXEMPTION GRANTED TO A PERSON UNDER SUBSECTION (B) OF THIS SECTION IF THE PERSON AT