

ANY TIME FAILS TO BE IN CONTINUOUS COMPLIANCE WITH THE TOBACCO TAX LAWS, AS DESCRIBED IN SUBSECTION (C) OF THIS SECTION.

(3) THE COMPTROLLER MAY REINSTATE AN EXEMPTION REVOKED UNDER PARAGRAPH (2) OF THIS SUBSECTION IF THE PERSON MEETS THE REQUIREMENTS OF SUBSECTIONS (B)(1) AND (2) OF THIS SECTION FOR A PERIOD OF 2 YEARS FOLLOWING THE REVOCATION.

(E) THE COMPTROLLER MAY NOT EXEMPT A PERSON FROM POSTING A BOND OR OTHER SECURITY FOR THE TOBACCO TAX UNLESS THE COMPTROLLER DETERMINES THAT THE PERSON IS SOLVENT AND FINANCIALLY ABLE TO PAY THE PERSON'S POTENTIAL TOBACCO TAX LIABILITY.

(F) IF A CORPORATION IS GRANTED AN EXEMPTION FROM POSTING A BOND OR OTHER SECURITY FOR THE TOBACCO TAX, ANY OFFICER OF THE CORPORATION WHO EXERCISES DIRECT CONTROL OVER ITS FISCAL MANAGEMENT IS PERSONALLY LIABLE FOR ANY TOBACCO TAX, INTEREST AND PENALTIES OWED BY THE CORPORATION.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Tax - General

13-824.

To protect tax revenue, a tax collector may, to the extent allowed or required under § 13-825 of this subtitle:

- (1) set an amount to secure payment of the tax, interest, and penalty that is due or may become due; and
- (2) require acceptable security to be posted.

13-825.

(h) (1) The Comptroller may require a person subject to the tobacco tax to post security for the tax in the amount that the Comptroller requires.

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

(I) LICENSED AS REQUIRED UNDER ARTICLE 56, § 613 § 611 OF THE CODE TO ENGAGE IN THE BUSINESS OF A CIGARETTE WHOLESALER; AND

(II) 1. IN CONTINUOUS COMPLIANCE WITH THE TOBACCO TAX LAWS, AS DETERMINED UNDER PARAGRAPH (3) OF THIS SUBSECTION; AND