

**WHY DOES THE ATCC WANT
A RESPONSIBLE PARTY ON A
TRADER'S LICENSE?**

ROUTINE INSPECTION

Conducting a routine Tobacco/Alcohol inspection at a retail establishment

- 1) The agent responds to a retail establishment; it could be a random inspection or handling a complaint at this store.
- 2) The agent enters the store and approaches the clerk and identifies him or herself as an agent with the Alcohol Tobacco Cannabis commission. The agent explains that they are there to conduct an inspection of the Alcohol and or Tobacco products at the establishment. The agent would ask to speak to the manager or owner of the store.
- 3) The agent would ask to see the stores current traders license and sales and use tax license. The agent would then ask for the invoices for the tobacco and or alcohol products. This is a way to provide proof that the items were purchase from a licensed Maryland wholesaler and the excise tax has been paid.
- 4) When the agent receives the invoices, they would compare the invoices to the inventory on the shelves to see if they match. If the agent finds a discrepancy, they will ask the employee if they have any additional invoices for these products.

ROUTINE INSPECTION CONT'D

- 5) If there are no additional invoices provided, and there is no proof that the excise tax has been paid, the items are deemed contraband. The agent would then seize these items.
- 6) If the agent was unable to locate the manager or the owner, the agent would ask the clerk if he could call the manager and or owner. Approximately 70-80 percent of the time the clerk would try to call the owner, who would not answer, or they would say that they did not have a number for the owner or manager. If the agent was able to speak to the owner on the phone, the owner would tell the agent they were not available. They would tell the agent that they were out of the state or out of the country. The agent would try to obtain a time to meet with the owner at a different time but most of the time the owner would never make themselves available.
- 7) If the agent has exhausted all options to locate the owner or manager, usually they would ask the clerk if they were responsible for the store. The agent would ask the clerk if they had the keys to the front door, which would usually indicate that they have care and custody of the store. The agent would try everyway possible but if they were unable to locate a responsible party for the violation, they would issue the employee a criminal citation. The agent would notify the employee that if the owner does make themselves available that the owner would receive a criminal citation and the agent would talk to the Assistant States Attorney and ask to dismiss the charges on the employee.

MARYLAND LIQUOR LICENSE FOR PRINCE GEORGES COUNTY

4/8/24, 12:00 PM BLC Liquor License Manager

17 DW(R) 515 State Of Maryland 2024-2025

Alcoholic Beverage License

Beer and Light Wine Licenses, Class D,DW(R) (On & Off Sale)

Restaurant

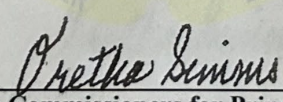
PRINCE GEORGE'S COUNTY to wit:

Lizhang, Inc.
Zheng's Restaurant
6019 66th Avenue, Riverdale Park Maryland 20737

Ming Xi Lu Vice President
Yang Jian Lu President

is licensed by the State of Maryland to keep and to sell Beer and Light Wine at the establishment described for consumption on and off the premises. The hours allowed by this license are Monday through Sunday from 6:00 a.m. to 2:00 a.m. No off sale beer or wine after 12:00 midnight. Issued under authority of Alcoholic Beverage Article of the Annotated Code of Maryland and amendments thereto. In Testimony whereof, the Seal of the Board of License Commissioners for Prince George's County is hereto affixed.

This license shall continue in force until June 30, 2025

ATTEST: 
Board of License Commissioners for Prince George's County

Issue Date : 04/08/2024
Cost of License : \$500.00

ADDITIONAL PERMITTED PRIVILEGES

Growlers Permit	Off Sale Sunday Permit	Entertainment Permit	Delivery Permit	Tasting Permit
No Growler Approved	Off Sale on Sunday	No Entertainment Permitted	Delivery Not Approved	No Tasting

MARYLAND TRADERS LICENSE

90 County

State of Maryland
License

16258355
16647548
10382808

24

LI ZHANG INC
ZHENG'S RESTAURANT
6019 66TH AVENUE
EAST RIVERDALE MD 20737

LI ZHANG INC
ZHENG'S RESTAURANT
6019 66TH AVE
EAST RIVERDALE MD 20737

DATE OF ISSUE
MO DAY YR
05/13/2024

MONTHS PAID
12

CODE	UNIT	TYPE OF LICENSE	NO OF LIC	COST
74	025	CIGARETTE	1	25.00
87	799	RESTAURANT	1	10.00
97	001	OTHER TOBACCO PROD RETLR	1	0.00
75	030	SPECIAL RETAIL CIGARETTE	1	30.00
71	20.	TRADER'S LICENSE	1	80.00

ISSUING FEES 10.00

TOTAL 155.00

AMOUNT PAID 155.00

THIS LICENSE MUST BE PUBLICLY DISPLAYED
AND EXPIRES ON **APRIL 30, 2025**

ISSUED BY
MAHASIN EL AMIN, CLERK OF CIRCUIT COURT
14735 MAIN STREET
UPPER MARLBORO, MARYLAND 20772-9987 (301)952-3331

TAX LOSS TO MARYLAND

Stats for FY25

- Cigarettes seized 31,584 packs
- Retail value \$415,404.18
- Tax loss to MD \$154,171.25
- Other Tobacco Products Seized 369,950 sticks
- Retail value \$392,940.00
- Tax loss to MD \$267,163.00
- **Total tax loss to Maryland is \$421,334.25**

DUTIES THAT CAN BE CARRIED OUT BY THE COMPTROLLER

- Effective: July 1, 2023
- MD Code, Business Regulation, § 17-202
- § 17-202. Powers and duties in general
- [Current Business Regulation MD Code language](#)
- (a) The Comptroller or the Executive Director shall enforce this title.
- (b)(1) The Comptroller:
 - (i) shall appoint a chief license inspector; and
 - (ii) may appoint assistant license inspectors.
- (2) The chief license inspector and each assistant license inspector is entitled to:
 - (i) compensation in accordance with the State budget; and
 - (ii) reimbursement for expenses under the Standard State Travel Regulations,¹ as provided in the State budget.
- (c) The Comptroller may delegate any power or duty of the Comptroller under this title.
- (d) To enforce this title, the Comptroller may make investigations and hold hearings on any matter covered by this title, at any time or place in the State, and, in connection with an investigation or hearing, may:

DUTIES THAT CAN BE CARRIED OUT BY THE COMPTROLLER (CONT'D)

- (1) administer oaths;
- (2) examine witnesses;
- (3) receive evidence; and
- (4) issue subpoenas for the attendance of witnesses to testify or to produce evidence.
- (e) The Comptroller shall make all license materials, including stickers, available to the clerks on or before April 1 each year.
- (f) The Executive Director, or an officer of the Field Enforcement Division of the Alcohol and Tobacco Commission, may make investigations and issue citations to enforce this title.
- (g) The Comptroller may adopt regulations to:
 - (1) carry out this title; and
 - (2) define any term used in this title.

MD CODE, BUSINESS REGULATION, § 17-302

§ 17-302. APPLICATIONS (1 OF 3)

(a)(1) Subject to paragraph (2) of this subsection and except as otherwise provided in this title, an applicant for a new license under this title shall submit to the clerk:

(i) an application that the clerk provides; and

(ii) payment of the appropriate license fee required by this title.

(2) If an applicant is applying for a new trader's license in a county or municipality that has not selected a uniform license fee under § 17-1806 of this title, the applicant shall submit to the clerk a certification by the State Department of Assessments and Taxation, or other certification acceptable to the clerk, of the value of the stock-in-trade reported as inventory on the Business Personal Property Tax Return in each county where the business is located for the appropriate valuation year.

(b)(1) Subject to paragraph (2) of this subsection and except as otherwise provided in this title, a licensee applying for renewal of a license shall submit to the clerk, electronically or otherwise:

(i) a certification by the county treasurer under subsection (c) of this section that there are no unpaid taxes due to the State or county on the fixtures or stock-in-trade; and

(ii) payment of the appropriate license fee required by this title.

MD CODE, BUSINESS REGULATION, § 17-302

§ 17-302. APPLICATIONS (2 OF 3)

(2) If a licensee is applying to renew a trader's license under this title, the licensee shall submit to the clerk a certification by the State Department of Assessments and Taxation, or other certification acceptable to the clerk, of the value of the fixtures and stock-in-trade reported as inventory on the Business Personal Property Tax Return in each county where the business is located for the applicant's business for the appropriate valuation year.

(c)(1) In this subsection, "county treasurer" includes the Director of Finance or other chief fiscal officer of a county that does not have a county treasurer.

(2) This subsection does not apply to a domestic corporation that has shares subject to taxation under State law.

(3) Except as otherwise provided in this title, a licensee applying for renewal of a license shall submit to the clerk, electronically or otherwise:

(i) a certification by the county treasurer of that county, if applicable, that there are no unpaid taxes due to the county on the fixtures or stock-in-trade;

(ii) a certification by the municipal corporation, if any, where the business is located that there are no unpaid taxes due to the municipal corporation on the fixtures or stock-in-trade; and

MD CODE, BUSINESS REGULATION, § 17-302

§ 17-302. APPLICATIONS (3 OF 3)

(iii) a certification by the Comptroller that there are no unpaid taxes due to the State.

(d) In this section, the valuation year:

(1) in Washington County, is the fiscal year that includes May 1 of the calendar year when the license is issued; or

(2) in each other county, is the second preceding calendar year before the year for which the license is sought.

(e)(1) This subsection applies only in Calvert County.

(2) The clerk may not issue a license under this title for the first time to a business that will be located in Calvert County unless the applicant submits to the clerk a certification that the location of the business for which the license is sought is zoned for the type of business for which the applicant is seeking a license.

(3) The certification must be issued from:

(i) the Calvert County Department of Planning and Zoning; or

(ii) the appropriate municipal corporation, if the location of the proposed business is within the boundaries of a municipal corporation.

(f) Each application for a license shall contain any information required by the Comptroller in regulation.

ATCC EXAMPLE

The ATCC has dealt with numerous locations that have taken that role as “just part of business”. The ATCC executed a Search and Seizure warrant at a business selling cannabis without a license in May 2025. Agents removed a large amount of cannabis from the store. The manager was issued a citation with a \$5000.00 fine. On 8/7/25 agents conducted a follow up inspection at the same store and located the store is still selling cannabis. More items were seized and a citation was issued for \$5000.00. there are numerous other stores that just have the mindset that its just part of business because they are not paying the required excise or sales tax.

CONCLUSION

In conclusion, when an agent locates a violation and is unable to locate the responsible party for the business they are unable to hold anyone responsible for the violation. This in turn allows the violators to continue to break the law with out consequences. A civil citation is not going to work. The monetary fine that could be assigned would be assessed by the law breaker as just part of doing business.