

RÉSUMÉ DIGEST

ACT 5 (HB 18)

2016 First Extraordinary Session

Montoucet

Existing law requires the secretary of the Dept. of Revenue to allow out-of-state wholesale tobacco dealers who have a direct purchasing contract with a manufacturer and who serve a trade area of retail dealers in this state to purchase La. stamps with the benefit of a discount.

Prior law prohibited the amount of the discount from exceeding the discount received by wholesale tobacco dealers in their state of domicile but set the maximum amount of the discount from exceeding 6% regardless of the discount extended by the other state.

New law reduces the amount of the discount for out-of-state wholesale tobacco dealers from not to exceed 6% to 5% and deletes the limitation that the discount offered in La. can not exceed the discount provided for in the out-of-state wholesale tobacco dealer's state of domicile.

Existing law requires every registered tobacco dealer receiving and handling cigars and smoking tobaccos in this state in which the tax has not been previously paid, to file a report of the total amount of cigars and smoking tobaccos received and handled during the preceding month and to pay the taxes due within 20 days after the expiration of each month. Further requires all out-of-state La. registered tobacco dealers to file a report disclosing all sales of cigars and smoking tobaccos in this state during the preceding month and to pay the taxes due.

Prior law authorized a 6% discount for timely and accurately filing the report on purchases made by registered tobacco dealers in this state who have a direct purchasing contract with a manufacturer.

New law reduces the amount of the discount for timely and accurately filing the report on purchases made by registered tobacco dealers in this state from 6% to 5%.

Existing law requires cigarette tax stamps to be sold to bonded, registered La. tobacco dealers who have a direct purchasing contract with a manufacturer at a discount when purchased in quantities of not less than \$100 face value. Further requires the discount to apply where metered stamping machines or devices are used.

Prior law provided that the amount of the discount for these cigarette stamps was 6% of the face value of the stamps.

New law reduces the amount of the discount for the purchase of these cigarette stamps from 6% of the face value of the stamps to 5%.

Effective April 1, 2016.

(Amends R.S. 47:843(B) and (C)(3) and 851(B)(4)(b))