

GREEN SHEET REDIGEST

HB 380

2015 Regular Session

Hollis

(KEYWORD, SUMMARY, AND DIGEST as amended by Senate committee amendments)

SALES/TOBACCO DEALERS. Provides relative to requirements for stamping cigarettes.

DIGEST

Abstract: Requires the stamping of cigarettes prior to selling, offering for sale, removing, or otherwise distributing the cigarettes instead of immediately upon receipt.

Present law requires the stamping of cigarettes with tobacco tax stamps immediately upon receipt of the cigarettes by a tobacco dealer.

Proposed law changes present law to require that tobacco dealers stamp cigarettes with a tobacco tax stamp prior to selling, offering for sale, removing, or otherwise distributing the cigarettes.

Present law requires a prima facie presumption that cigarettes kept found in the place of business of any tobacco dealer or other person, except bonded interstate tobacco dealers, without the stamps affixed are in violation of present law.

Proposed law retains present law except that it removes the exception for bonded interstate tobacco dealers and provides an exception for a dealer holding a valid stamping agent designation.

Present law prohibits a dealer from purchasing or possessing unstamped cigarettes in this state for sale into another state where the manufacturer and brand family of the cigarettes are not listed on the state's directory unless the dealer holds an exporter license.

Proposed law retains present law and further requires the dealer holding the exporter license to affix the stamp required by the other state to the package within 72 hours after receipt unless the other state does not require the stamp, then the dealer may sell cigarettes into the other state if the excise, use, or similar tax is paid. Proposed law further requires the dealer to ensure that any cigarettes and roll-your-own tobacco in its stock that are not listed on the attorney general's state directory are kept separate and apart from the approved stock.

Present law requires a tobacco dealer engaged in interstate business to furnish a bond. Further allows a tobacco dealer to set aside a certain amount of his cigarette inventory for interstate commerce business without being stamped.

Proposed law removes the inventory provisions allowing for cigarettes to be set aside and retains the furnishing of the bond requirements as provided by present law.

Present law provides for discounts on tobacco stamps for the timely and accurately filing of certain reports by registered La. tobacco dealers.

Proposed law repeals present law.

(Amends R.S. 47:843(C)(10) and (D)(1), 847(A) and (D)(1), and 849(B) and (C); Repeals R.S. 47:843(C)(3) and (6) and 851(B)(4)(b))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Judiciary to the original bill:

1. Add the requirement that unstamped cigarettes are stamped prior to offering for sale, removing, or distributing them in or into the state.
2. Remove requirement that the stamping of the unstamped cigarette be done as needed prior to cigarettes being shipped from the distributor.
3. Remove the exception for a prima facie presumption for interstate tobacco dealers to be in violation of present law if taxed cigarettes are found in the place of business without stamps affixed, and extend the exception to a dealer holding a valid stamping agent designation.
4. Require the dealer holding the exporter license to affix the stamp required by the other state to the package within 72 hours after receipt unless the other state does not require the stamp, then the dealer may sell cigarettes into the other state if the excise, use, or similar tax is paid.
5. Require the dealer to ensure that any cigarettes and roll-your-own tobacco in its stock that are not listed on the attorney general's state directory are kept separate and apart from approved stock.

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the engrossed bill

1. Repeal provisions of present law providing a discount for the timely and accurately filing of certain reports by registered La. tobacco dealers.