

Hall of the House of Representatives
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of House Bill No. 2662

"AN ACT TO LEVY AN ADDITIONAL TOBACCO EXCISE TAX ON CIGARETTES OF SEVEN PERCENT (7%) OF THE GROSS INVOICE COST OF CIGARETTES TO A RETAILER."

Amendment No. 2 to House Bill No. 2662.

Amend House Bill No. 2662 as engrossed, H3/28/03:

Page 1, delete lines 9 through 12 and substitute the following:
"AN ACT TO LEVY A NEW SEVEN PERCENT (7%) TOBACCO EXCISE TAX ON CIGARETTES; TO LEVY AN ADDITIONAL TOBACCO PRODUCTS TAX OF FIFTEEN PERCENT (15%); AND FOR OTHER PURPOSES."

AND

Page 1, delete lines 14 through 17, and substitute the following:
"AN ACT TO LEVY A NEW SEVEN PERCENT (7%) TOBACCO EXCISE TAX ON CIGARETTES AND TO LEVY AN ADDITIONAL TOBACCO PRODUCTS TAX OF FIFTEEN PERCENT (15%)."

AND

Page 1, line 27, delete "additional" and substitute "new"

AND

Page 1, line 29, delete "additional"

AND

Page 2, line 5, delete "additional"

AND

Page 2, line 9, delete "additional"

AND



Page 2, delete line 13 and substitute the following:
“5-201 et seq.”

SECTION 2. Arkansas Code Title 26, Chapter 57, Subchapter 8 is amended to add an additional section to read as follows:

26-57-804. (a)(1) In addition to the excise or privilege taxes levied under §§ 26-57-208(2), 26-57-803(b) and 26-57-1102(a), there is levied an additional tax on tobacco products other than cigarettes on the first sale to wholesalers or retailers within the state at fifteen percent (15%) of the manufacturer’s selling price.

(2) The tax shall be computed on the actual manufacturer’s invoice price before discounts and deals.

(b)(1)(A) The taxes levied by this section shall be reported and paid by wholesalers licensed pursuant to § 26-57-214 of the Arkansas Tobacco Products Tax Act of 1977.

(B) Provided, retailers shall be liable for reporting and paying these taxes when a retailer purchases tobacco products directly from a manufacturer or from a wholesaler or distributor not licensed pursuant to § 26-57-214 of the Arkansas Tobacco Products Tax Act of 1977.

(2)(A) Any taxpayer who fails to report and remit the tobacco tax due on tobacco products purchased from manufacturers, distributors or wholesalers who are not licensed under §26-57-214 of the Arkansas Tobacco Products Tax Act of 1977 shall be subject to the following penalties:

(i) Five percent (5%) of the total tobacco tax due for the first offense;

(ii) Twenty percent (20%) of the total tobacco tax due for the second offense; and

(iii) Twenty-five percent (25%) of the total tobacco tax due for the third and any subsequent offenses.

(B) In addition, the taxpayer’s retail cigarette/tobacco permit shall be revoked for a period of ninety (90) days for the third and any subsequent offenses.

(c) The additional tax levied by this section shall be in effect on and after July 1, 2003 and shall apply to any inventory or stocks of tobacco products other than cigarettes held by a wholesaler or retailer on that date.

(d) The revenues derived from the additional tax imposed by this section shall be credited to the General Revenue Fund Account of the State Apportionment Fund, there to be distributed with the other gross general revenue collections for that month in accordance with the provisions of § 19-5-201 et seq.”

AND

Appropriately renumber the remaining section.

The Amendment was read _____
By: Representative Mahony
LDH/MHF - 041020031653
MHF552

Chief Clerk