

1 State of Arkansas  
2 93rd General Assembly  
3 Regular Session, 2021  
4

As Engrossed: S4/5/21 S4/19/21

# A Bill

SENATE BILL 551

5 By: Senator M. Johnson  
6 By: Representative Dalby  
7

## For An Act To Be Entitled

9 AN ACT TO AMEND THE UNFAIR CIGARETTE SALES ACT; AND  
10 FOR OTHER PURPOSES.

### Subtitle

14 TO AMEND THE UNFAIR CIGARETTE SALES ACT.

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

19 SECTION 1. Arkansas Code § 4-75-702, concerning definitions in the  
20 Unfair Cigarette Sales Act, is amended to add an additional subdivision to  
21 read as follows:

22 (15) "Rebate" means a payment made by a seller of cigarettes to  
23 a purchaser of cigarettes after the sale that serves as a discount or return  
24 of part of an amount previously given in payment by the purchaser of  
25 cigarettes.

27 SECTION 2. Arkansas Code § 4-75-708(b) and (c), concerning the use of  
28 rebates in the sale of cigarettes to impact competition under the Unfair  
29 Cigarette Sales Act, are amended to read as follows:

30 (b)(1) It ~~shall be~~ is unlawful for any wholesaler, retailer, or  
31 salesperson to offer a rebate in price, to give a rebate in price, to offer a  
32 concession of any kind, or to give a concession of any kind or nature  
33 whatsoever in connection with the sale of cigarettes with intent to injure  
34 competitors or destroy or substantially lessen competition.

35 (2) However, it is not unlawful under this section for a  
36 wholesaler to give a rebate if the rebate is paid by check or electronic



1 direct deposit and does not result in a sale at less than the cost to the  
2 wholesaler according to § 4-75-702(5)(A), less discounts that are received by  
3 the wholesaler from the manufacturer.

4 (c) It shall be unlawful for any retail dealer to induce or attempt to  
5 induce or to procure or attempt to procure+

6 ~~(1) The~~ the purchase of cigarettes at a price less than cost to  
7 the wholesaler; ~~or~~

8 ~~(2) Any rebate or concession of any kind in connection with the~~  
9 ~~purchase of cigarettes.~~

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11 /s/M. Johnson  
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