

Hall of the House of Representatives
92nd General Assembly - Regular Session, 2019
Amendment Form

Subtitle of House Bill No. 1565

TO PROVIDE FUNDING FOR A NATIONAL CANCER INSTITUTE-DESIGNATED CANCER CENTER IN
THE STATE THROUGH CHANGES IN THE LAWS RELATING TO THE SALE AND TAXATION OF
TOBACCO PRODUCTS, CIGARETTE PAPER, AND E-CIGARETTES.

Amendment No. 1 to House Bill 1565

Amend House Bill No. 1565 as originally introduced:

Add Senator Irvin as a cosponsor of the bill

AND

Add Representative M. Gray as a cosponsor of the bill

AND

Page 1, line 19, delete "TO CREATE A TAX" and substitute "TO REPEAL THE
BORDER ZONE TAX RATES FOR CIGARETTES;"

AND

Page 1, line 20, delete "ON E-CIGARETTES;"

AND

Immediately following SECTION 4, add an additional section to read as
follows:

"SECTION 5. Arkansas Code § 9-25-101(b), concerning the age of
majority and exceptions to the age of majority, is amended to read as
follows:

(b)(1) Any law of the State of Arkansas that presently requires a
person to be of a minimum age of twenty-one (21) years to enjoy any privilege
or right or to do any act or to participate in any event, election, or other
activity shall be deemed to require that person to be of a minimum age of
eighteen (18) years.

(2) However, this section shall not repeal, amend, or otherwise
affect any existing laws concerning or in any way relating to beer, wines,



spirituous, vinous, malt liquors, or other alcoholic beverages, tobacco products, vapor products, alternative nicotine products, e-liquid products, or cigarette papers, and the sale thereof to persons under twenty-one (21) years of age."

AND

Page 4, line 4, delete "Arkansas Constitution,"

AND

Immediately following SECTION 5, add an additional section to read as follows:

"SECTION 7. Arkansas Code § 26-57-208(1), concerning the excise tax levied on cigarettes and other tobacco products, is amended to read as follows:

(1)(A) The excise or privilege tax on cigarettes sold in this state is ten dollars and fifty cents (\$10.50) per one thousand (1,000) cigarettes sold.

~~(B)(i) Whenever there are two (2) adjoining cities each with a population of five thousand (5,000) or more separated by a state line, the tax on cigarettes sold in the adjoining Arkansas city shall be at the rate imposed by law on cigarettes sold in the adjoining city outside of Arkansas.~~

~~(ii) The tax shall not exceed the tax upon cigarettes imposed by this subchapter.~~

~~(C)(i) The tax on cigarettes sold in Arkansas within three hundred feet (300') of a state line or in any Arkansas city that adjoins a state line shall be at the rate imposed by law on cigarettes sold in the adjoining state.~~

~~(ii) The tax shall not exceed the tax upon cigarettes imposed by this subchapter.~~

~~(D)(i) The tax on cigarettes shall be at the rate imposed by law on cigarettes sold in the adjoining state when the cigarettes are sold in an Arkansas city or incorporated town whose corporate limits adjoin the corporate limits of an Arkansas border city.~~

~~(ii) As used in subdivision (1)(D)(i) of this section, "Arkansas border city" means a city that is entitled to the border zone cigarette tax rate and is separated by a navigable river from a city in the other state that is located in a metropolitan statistical area designated by the United States Bureau of the Census with a population of at least one million (1,000,000).~~

~~(iii) The tax shall not exceed the tax upon cigarettes otherwise imposed under Arkansas law.~~

~~(E)(i) The reduced border zone tax rates set forth in subdivisions (1)(B)-(D) of this section apply only to sales made at retail by Arkansas border zone retailers to actual consumers of the cigarettes.~~

~~(ii)(a) The sale of cigarettes by an Arkansas border zone retailer to any other retailer or wholesaler does not qualify for the reduced border zone tax rate.~~

~~(b) The full amount of Arkansas cigarette excise tax will be due on any cigarettes sold in such a manner;~~"

AND

Immediately following SECTION 7, add an additional section to read as follows:

"SECTION 10. Arkansas Code § 26-57-257(r), concerning the Director of Arkansas Tobacco Control, is amended to read as follows:

(r) The enforcement of state laws relating to the prohibition of the barter or sale of tobacco in any form, vapor products, alternative nicotine products, e-liquid products, or cigarette papers to minors a minor, as defined in § 26-57-256, by multiple state agencies shall be coordinated to avoid duplicative inspections of the same retailer by multiple state agencies."

AND

Immediately following SECTION 10, add additional sections to read as follows:

"SECTION 14. Arkansas Code § 26-57-802(b), concerning an additional tax levied on cigarettes, is repealed.

~~(b)(1) The additional tax levied in this section shall also be applicable to cigarettes sold in Arkansas within three hundred feet (300') of a state line or in any city that adjoins a state line. It is the intent of this section that the rate of tax on cigarettes sold in Arkansas within three hundred feet (300') of a state line or in any Arkansas city that adjoins a state line shall be:~~

~~(A) The rate imposed by law on cigarettes sold in the adjoining state plus the fifty cents (50¢) per one thousand (1,000) cigarettes levied in this section and cited in § 26-57-803(a)(2); or~~

~~(B) The rate imposed by law on cigarettes sold in the adjoining state plus the twenty-five cents (25¢) per one thousand (1,000) cigarettes levied in this section and cited in § 26-57-803(a)(3).~~

~~(2) The rate shall not exceed the total tax levied on cigarettes in this state.~~

SECTION 15. Arkansas Code § 26-57-803(a), concerning an additional tax levied on cigarettes and other tobacco products, is amended to read as follows:

(a)(1) In addition to the excise or privilege taxes levied under §§ 26-57-208 and 26-57-802, there is levied a tax of four dollars and seventy-five cents (\$4.75) per one thousand (1,000) cigarettes sold in the state.

(2) ~~Whenever there are two (2) adjoining cities, each with a population of five thousand (5,000) or more separated by a state line, the tax on cigarettes sold in the adjoining Arkansas city shall be at the rate imposed by law on cigarettes sold in the adjoining city outside of Arkansas plus the fifty cents (50¢) per one thousand (1,000) cigarettes presently imposed by § 26-57-802. The tax shall not exceed the tax upon cigarettes imposed by this subchapter.~~

~~(3) The tax on cigarettes sold in Arkansas within three hundred feet (300') of a state line, in any Arkansas city which adjoins a state line, or in any city that is separated only by a navigable river from a city that adjoins a state line shall be at the rate imposed by law on cigarettes sold in the adjoining state plus the twenty-five cents (25¢) per one thousand (1,000) cigarettes presently imposed by § 26-57-802. The tax shall not exceed the tax upon cigarettes imposed by this subchapter.~~

~~(4)(A) The tax on cigarettes shall be at the rate imposed by law on cigarettes sold in the adjoining state plus the additional tax levied by § 26-57-802 when the cigarettes are sold in an Arkansas city or incorporated town whose corporate limits adjoin the corporate limits of an Arkansas border city.~~

~~(B) As used in subdivision (a)(4)(A) of this section, "Arkansas border city" means a city that is entitled to the border zone cigarette tax rate and is separated by a navigable river from a city in the other state that is located in a metropolitan statistical area designated by the United States Bureau of the Census with a population of at least one million (1,000,000).~~

~~(C) The tax shall not exceed the tax upon cigarettes otherwise imposed under Arkansas law.~~

SECTION 16. Arkansas Code § 26-57-804(b), concerning an additional tax levied on cigarettes, is repealed.

~~(b)(1)(A) Whenever there are two (2) adjoining cities each with a population of five thousand (5,000) or more separated by a state line, the tax on cigarettes sold in the adjoining Arkansas city shall be at the rate imposed by law on cigarettes sold in the adjoining city outside Arkansas.~~

~~(B) The tax shall not exceed the tax upon cigarettes imposed by Arkansas law.~~

~~(2)(A) The tax on cigarettes sold in Arkansas within three hundred feet (300') of a state line in any Arkansas city that adjoins a state line or in any city that is separated only by a navigable river from a city that adjoins a state line shall be at the rate imposed by law on cigarettes sold in the adjoining state.~~

~~(B) The tax shall not exceed the tax upon cigarettes imposed by Arkansas law.~~

~~(3)(A) The tax on cigarettes shall be at the rate imposed by law on cigarettes sold in the adjoining state if the cigarettes are sold in an Arkansas city or incorporated town whose corporate limits adjoin the corporate limits of an Arkansas border city.~~

~~(B) As used in subdivision (b)(3)(A) of this section, "Arkansas border city" means a city that is entitled to the border zone cigarette tax rate and is separated by a navigable river from a city in the other state that is located in a metropolitan statistical area designated by the United States Bureau of the Census with a population of at least one million (1,000,000).~~

~~(C) The tax shall not exceed the tax upon cigarettes otherwise imposed under Arkansas law.~~

~~(4)(A) A wholesaler or retailer shall not sell cigarettes to a retailer located outside a border zone described in subdivisions (b)(1)-(3)~~

~~of this section unless the full amount of tax levied by this section and §§ 26-57-208, 26-57-802, 26-57-803, and 26-57-1101 without regard to any reduced border zone rate has been paid as evidenced by cigarette stamps affixed to each container of cigarettes.~~

~~(B) A retailer located outside a border zone described in subdivisions (b)(1)-(3) of this section shall not possess or offer for sale cigarettes unless the full amount of tax levied by this section and §§ 26-57-208, 26-57-802, 26-57-803, and 26-57-1101 without regard to any reduced border zone rate has been paid as evidenced by cigarette stamps affixed to each container of cigarettes.~~

~~(C) A violation of this subdivision (b)(4) shall be grounds for the suspension or revocation of a permit or license issued by the Director of Arkansas Tobacco Control.~~

SECTION 17. Arkansas Code § 26-57-806(b), concerning an additional tax levied on cigarettes, is repealed.

~~(b)(1)(A) Whenever there are two (2) adjoining cities each with a population of five thousand (5,000) or more separated by a state line, the tax on cigarettes sold in the adjoining Arkansas city shall be at the rate imposed by law on cigarettes sold in the adjoining city outside Arkansas.~~

~~(B) The tax shall not exceed the tax upon cigarettes imposed by Arkansas law.~~

~~(2)(A) The tax on cigarettes sold in Arkansas within three hundred feet (300') of a state line in any Arkansas city that adjoins a state line or in any city that is separated only by a navigable river from a city that adjoins a state line shall be at the rate imposed by law on cigarettes sold in the adjoining state.~~

~~(B) The tax shall not exceed the tax upon cigarettes imposed by Arkansas law.~~

~~(3)(A) The tax on cigarettes sold in any Arkansas city or incorporated town whose corporate limits adjoin the corporate limits of an Arkansas border city shall be at the rate imposed by law on cigarettes sold in the adjoining state.~~

~~(B) As used in subdivision (b)(3)(A) of this section, "Arkansas border city" means a city which is entitled to the border zone cigarette tax rate and is separated by a navigable river from the city in the other state that is located in a metropolitan statistical area designated by the United States Bureau of the Census with a population of at least one million (1,000,000).~~

~~(C) The tax shall not exceed the tax upon cigarettes otherwise imposed under Arkansas law.~~

~~(4)(A) A wholesaler or retailer shall not sell cigarettes to a retailer located outside a border zone described in subdivisions (b)(1)-(3) of this section unless the full amount of tax levied by this section and §§ 26-57-208, 26-57-802, 26-57-803, 26-57-804, and 26-57-1101 without regard to any reduced border zone rate has been paid as evidenced by cigarette stamps affixed to each container of cigarettes.~~

~~(B) A retailer located outside a border zone described in subdivisions (b)(1)-(3) of this section shall not possess or offer for sale cigarettes unless the full amount of tax levied by this section and §§ 26-57-~~

~~208, 26-57-802, 26-57-803, 26-57-804, and 26-57-1101 without regard to any reduced border zone rate has been paid as evidenced by cigarette stamps affixed to each container of cigarettes.~~

~~(C) A violation of this subdivision (b)(4) shall be grounds for the suspension or revocation of a permit or license issued by the Director of Arkansas Tobacco Control."~~

AND

Delete SECTIONS 12 and 13 of the bill in their entirety

AND

Page 9, line 13, delete "2-12" and substitute "2-18"

AND

Appropriately renumber the sections of the bill

The Amendment was read
By: Representative A. Davis
JLL/JLL - 03-04-2019 10:52:13
JLL239

Chief Clerk