

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

A Bill

HOUSE BILL 1325

5 By: Representative Lamoureux
6
7

For An Act To Be Entitled

9 AN ACT TO ALLOW TOBACCO WHOLESALERS TO RECEIVE A
10 COMMISSION ON THE TOTAL AMOUNT OF CIGARETTE TAX;
11 AND FOR OTHER PURPOSES.
12

Subtitle

13 AN ACT TO ALLOW TOBACCO WHOLESALERS TO
14 RECEIVE A COMMISSION ON THE TOTAL AMOUNT
15 OF CIGARETTE TAX; AND FOR OTHER
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code § 26-57-804 is amended to read as follows:
23 26-57-804. Additional tax on cigarettes.

24 (a) In addition to the excise or privilege taxes levied under §§ 26-
25 57-208, 26-57-802, 26-57-803, and 26-57-1101, there is levied an additional
26 tax of twelve dollars and fifty cents (\$12.50) per one thousand (1,000)
27 cigarettes sold in the state.

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

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

34 (2)(A) The tax on cigarettes sold in Arkansas within three
35 hundred feet (300') of a state line in any Arkansas city that adjoins a state
36 line or in any city that is separated only by a navigable river from a city



1 that adjoins a state line shall be at the rate imposed by law on cigarettes
 2 sold in the adjoining state.

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

5 (3)(A) A wholesaler or retailer shall not sell cigarettes to a
 6 retailer located outside a border zone described in subdivisions (b)(1) and
 7 (2) of this section unless the full amount of tax levied by this section and
 8 §§ 26-57-208, 26-57-802, 26-57-803, and 26-57-1101 without regard to any
 9 reduced border zone rate has been paid as evidenced by cigarette stamps
 10 affixed to each container of cigarettes.

11 (B) A retailer located outside a border zone described in
 12 subdivisions (b)(1) and (2) of this section shall not possess or offer for
 13 sale cigarettes unless the full amount of tax levied by this section and §§
 14 26-57-208, 26-57-802, 26-57-803, and 26-57-1101 without regard to any reduced
 15 border zone rate has been paid as evidenced by cigarette stamps affixed to
 16 each container of cigarettes.

17 (C) A violation of subdivision (b)(3) of this section
 18 shall be grounds for the suspension or revocation of a permit or license
 19 issued by the Director of the Arkansas Tobacco Control Board.

20 (c) The exemptions and waivers allowed under §§ 26-57-209 and 26-57-
 21 210 shall apply to this section.

22 (d) Purchases of stamps pursuant to § 26-57-236 by wholesalers and
 23 stamp deputies during May 2003 shall be limited to one hundred ten percent
 24 (110%) of the amount of each purchaser's average stamp purchase for the
 25 period January 2003 through April 2003.

26 (e) The additional tax levied under this section shall be imposed,
 27 reported, remitted, and administered in the same manner and at the same time
 28 as other taxes levied on cigarettes in the Arkansas Tobacco Products Tax Act
 29 of 1977, § 26-57-201 et seq.

30 (f) The director shall ~~not~~ pay the commission authorized by § 26-57-
 31 236(g) with respect to the tax levied by this section.

32 (g) The revenue derived from the additional tax imposed by this
 33 section shall be credited to the General Revenue Fund Account of the State
 34 Apportionment Fund, there to be distributed with the other gross general
 35 revenue collections.

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