

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 5

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO CIGARETTE AND TOBACCO PRODUCT TAXES; AMENDING SECTION 63-2503,
2 IDAHO CODE, TO CLARIFY PERMITTING REQUIREMENTS FOR PERSONS ACTIVELY EN-
3 GAGED IN MAKING WHOLESALE SALES OF CIGARETTES AND TO MAKE A TECHNICAL
4 CORRECTION.
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 63-2503, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 63-2503. PERMITS. (1) It shall be unlawful for a person to act as a
10 wholesaler of cigarettes without a permit. The permit shall be obtained by
11 application to the state tax commission upon a form furnished by it, accom-
12 panied by a fee of fifty dollars (\$50.00). The wholesaler permit shall be
13 nonassignable and shall continue in force until surrendered or canceled.

14 (2) It shall be unlawful for any retailer to purchase, sell, offer for
15 sale, distribute, store or possess any cigarettes without first applying for
16 and receiving a seller's permit under section 63-3620, Idaho Code.

17 (3) A permit shall be held only by persons actively engaged in making
18 wholesale sales of cigarettes ~~subject to tax under this chapter~~. Any person
19 not so engaged shall forthwith surrender his permit to the state tax commis-
20 sion for cancellation.

21 (4) Whenever any person fails to comply with any provision of this chap-
22 ter relating to the purchase, sale or offering for sale or distribution of
23 cigarettes or any rules of the state tax commission relating to the cigarette
24 tax prescribed and adopted under this chapter, the state tax commission may
25 revoke or suspend any permit held by the person or may deny a new permit to
26 such person.

27 (5) The state tax commission may revoke the permit of a person not ac-
28 tively engaged in activities requiring a permit under this section.

29 (6) Notice of revocation shall be given in the manner provided for defi-
30 ciencies in taxes in section 63-3629, Idaho Code, which shall be subject to
31 review as provided in section 63-3631, Idaho Code.

32 (7) A permit, held by a person who for a period of twelve (12) consec-
33 utive months files reports showing no cigarette activity reportable under
34 this chapter, shall expire automatically upon the state tax commission pro-
35 viding notice of the expiration to the last known address of the person to
36 whom the permit was issued.

37 (8) A person who engaged in activities requiring a permit under this
38 section without a permit or after a permit has been revoked or suspended, and
39 any person who is a responsible person, as defined in section 63-3627, Idaho
40 Code, of such a business shall, after receiving written notice from the state
41 tax commission, be subject to a civil penalty not in excess of one hundred
42 dollars (\$100), and each day shall constitute a separate offense, which the

1 state tax commission may assess as a deficiency pursuant to section 63-2516,
2 Idaho Code.