



February 3, 2023

SENATE BILL No. 264

DIGEST OF SB 264 (Updated February 1, 2023 2:20 pm - DI 140)

Citations Affected: IC 6-7; noncode.

Synopsis: Cigarette tax revenue stamp allowance. Changes the stamp discount for cigarette distributors from \$0.013 to \$0.05.

Effective: July 1, 2023.

Ford Jon

January 11, 2023, read first time and referred to Committee on Public Policy.
February 2, 2023, reported favorably — Do Pass; reassigned to Committee on Appropriations.

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February 3, 2023

First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

SENATE BILL No. 264

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-7-1-17, AS AMENDED BY P.L.191-2016,
2 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2023]: Sec. 17. (a) Distributors who hold certificates and
4 retailers shall be agents of the state in the collection of the taxes
5 imposed by this chapter and the amount of the tax levied, assessed, and
6 imposed by this chapter on cigarettes sold, exchanged, bartered,
7 furnished, given away, or otherwise disposed of by distributors or to
8 retailers. Distributors who hold certificates shall be agents of the
9 department to affix the required stamps and shall be entitled to
10 purchase the stamps from the department at a discount of ~~one and~~
11 ~~three-tenths~~ **five** cents (~~\$0.013~~) (**\$0.05**) per individual package of
12 cigarettes as compensation for their labor and expense.
13 (b) The department may permit distributors who hold certificates
14 and who are admitted to do business in Indiana to pay for revenue
15 stamps within thirty (30) days after the date of purchase. However, the
16 privilege is extended upon the express condition that:
17 (1) except as provided in subsection (c), a bond or letter of credit

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1 satisfactory to the department, in an amount not less than the sales
2 price of the stamps, is filed with the department;
3 (2) proof of payment is made of all property taxes, excise taxes,
4 and listed taxes (as defined in IC 6-8.1-1-1) for which any such
5 distributor may be liable; and
6 (3) payment for the revenue stamps must be made by electronic
7 funds transfer (as defined in IC 4-8.1-2-7).
8 The bond or letter of credit, conditioned to secure payment for the
9 stamps, shall be executed by the distributor as principal and by a
10 corporation duly authorized to engage in business as a surety company
11 or financial institution in Indiana.
12 (c) If a distributor has at least five (5) consecutive years of good
13 credit standing with the state, the distributor shall not be required to
14 post a bond or letter of credit under subsection (b).
15 **SECTION 2. [EFFECTIVE JULY 1, 2023] (a) IC 6-7-1-17, as**
16 **amended by this act, applies only to cigarette stamps purchased by**
17 **distributors after June 30, 2023.**
18 **(b) This SECTION expires June 30, 2024.**



COMMITTEE REPORT

Madam President: The Senate Committee on Public Policy, to which was referred Senate Bill No. 264, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 264 as introduced.)

ALTING, Chairperson

Committee Vote: Yeas 7, Nays 0

