

2016 First Extraordinary Session

HOUSE BILL NO. 10

BY REPRESENTATIVE COX

TAX/TOBACCO TAX: Reduces the amount of the discount for licensed tobacco dealers for accurately reporting and remitting excise taxes on certain tobacco products and the amount of the discount for stamping cigarettes (Item #22)

1 AN ACT

2 To amend and reenact R.S. 47:843(B) and (C)(3) and 851(B)(4)(b), relative to state excise
3 tax on tobacco; to provide relative to the discounts for the reporting and remitting of
4 excise taxes on cigarettes and certain tobacco product and the stamping of cigarettes;
5 to reduce the amount of the discounts for the reporting and remitting of excise taxes
6 on cigarettes and certain tobacco products and the stamping of cigarettes; to provide
7 for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:843(B) and (C)(3) and 851(B)(4)(b) are hereby amended and
10 reenacted to read as follows:

11 §843. Use of stamps or meter impression required; limitations

12 * * *

13 B. Discounts. The secretary of the Department of Revenue shall allow
14 wholesale tobacco dealers of other states who have a direct purchasing contract with
15 a manufacturer and serving a trade area of retail dealers in this state to purchase
16 Louisiana stamps with benefit of discount; provided however, in no instance shall
17 the discount be greater than that which is received by such wholesale tobacco dealers
18 in their state of domicile and further provided that regardless of the discount
19 extended by other states, the discount shall not exceed ~~six~~ three percent.

1 C. Purchase of stamps.

2 * * *

3 (3) Cigarette tax stamps shall be sold by the secretary of the Department of
4 Revenue to bonded registered Louisiana tobacco dealers in the state of Louisiana
5 who hold a valid stamping agent designation in accordance with R.S. 26:902(2)(a)
6 and who have a direct purchasing contract with a manufacturer at a discount of ~~six~~
7 three percent from the face value, when purchased in quantities of not less than one
8 hundred dollars face value, and the same provisions and discount shall apply where
9 the metered stamping machine or device is used.

10 * * *

11 §851. Dealers receiving unstamped and/or nontax paid cigarettes, cigars, and
12 smoking tobaccos required to file monthly reports and maintain records;
13 vending machine restrictions

14 * * *

15 B. Registered tobacco dealers and stamping agents.

16 * * *

17 (4)

18 * * *

19 (b) A ~~six~~ three percent discount is allowable for timely and accurately filing
20 such report only on those purchases made by registered tobacco dealers in Louisiana
21 who have a direct purchasing contract with a manufacturer. The secretary shall
22 allow wholesale tobacco dealers of other states serving a trade area of retail dealers
23 in this state who have a direct purchasing contract with a manufacturer to sell in this
24 state with the benefit of the discount provided, however, in no instance shall the
25 discount be greater than that which is received by such wholesale tobacco dealers in
26 their state of domicile and further provided that regardless of the discount extended
27 by other states, such discount shall not exceed ~~six~~ three percent, provided said
28 dealers meet the requirements of a wholesale dealer as set forth in R.S. 47:842(5).

Proposed law reduces the amount of the discount for timely and accurately filing the report on purchases made by registered tobacco dealers in this state from 6% to 3%.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 47:843(B) and (C)(3) and 851(B)(4)(b))