

Senate Bill No. 244—Senator Jacobsen (by request)

CHAPTER.....

AN ACT relating to taxation; prohibiting a dealer from taking certain actions regarding cigarettes manufactured for export outside the United States; prohibiting a dealer from affixing a revenue stamp or meter impression upon certain containers of cigarettes; providing a penalty; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Chapter 370 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A wholesale or retail dealer shall not affix a Nevada cigarette revenue stamp or a metered machine impression upon a package, carton, packet or other container of cigarettes which:

(a) Does not meet the requirements of the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. §§ 1331 et seq., for the placement of labels, warnings or any other information required by that Act to be placed upon a container of cigarettes sold within the United States;

(b) Is labeled as “for export only,” “U.S. tax exempt,” “for use outside the U.S.” or with similar wording indicating that the manufacturer did not intend for the product to be sold in the United States;

(c) Has been altered by the unauthorized addition or removal of wording, labels or warnings described in paragraph (a) or (b);

(d) Has been exported from the United States after January 1, 2000, and imported into the United States in violation of 26 U.S.C. § 5754; or

(e) Violates a federal trade-mark or copyright law.

2. A wholesale or retail dealer shall not:

(a) Affix Nevada cigarette revenue stamps or metered machine impressions on;

(b) Sell or distribute in this state; or

(c) Possess in this state with the intent to sell or distribute in this state, cigarettes manufactured for export outside the United States.

3. The department may impose a penalty on a wholesale or retail dealer who violates subsection 1 or 2 as follows:

(a) For the first violation, a penalty of \$5,000.

(b) For each subsequent violation, a penalty of \$10,000.

4. Notwithstanding any other provision of law, the department may seize, destroy or sell to the manufacturer, for export only, a container of cigarettes upon which a revenue stamp or metered machine impression was placed in violation of subsection 1 or 2.

5. As used in this section, “cigarettes manufactured for export outside the United States” means cigarettes contained in a package or carton which indicates that the cigarettes are tax exempt and for use outside the United States.

Sec. 2. NRS 370.001 is hereby amended to read as follows:

370.001 As used in NRS 370.005 to 370.430, inclusive, **and section 1 of this act**, unless the context otherwise requires, the words and terms defined in NRS 370.005 to 370.055, inclusive, have the meanings ascribed to them in those sections.

Sec. 3. NRS 370.070 is hereby amended to read as follows:

370.070 The provisions of NRS 370.001 to 370.430, inclusive, **and section 1 of this act** do not apply to common carriers while engaged in interstate commerce which sell or furnish cigarettes on their trains, buses or airplanes.

Sec. 4. The amendatory provisions of this act do not apply to violations committed before January 1, 2000.

Sec. 5. This act becomes effective on January 1, 2000.

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