

SENATE BILL NO. 527—COMMITTEE ON TAXATION

MARCH 26, 2001

Referred to Committee on Taxation

SUMMARY—Revises provisions governing licensing of cigarette dealers and taxation of cigarettes. (BDR 32-1326)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to cigarettes; exempting duty-free sales enterprises and persons importing cigarettes for personal use from provisions governing the licensing of cigarette dealers and the taxation of cigarettes; providing that cigarette revenue stamps must identify the dealer who affixed the stamps; requiring certain dealers to file certificates regarding cigarettes imported into the United States; 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:

- 1 **Section 1.** NRS 370.070 is hereby amended to read as follows:
2 370.070 The provisions of NRS 370.001 to 370.430, inclusive, do not
3 apply to ~~common~~ :
4 *1. Common* carriers while engaged in interstate commerce which sell
5 or furnish cigarettes on their trains, buses or airplanes ~~+~~ ;
6 *2. A person entering this state with a quantity of cigarettes for*
7 *household or personal use which is exempt from federal import duty; and*
8 *3. A duty-free sales enterprise as defined in 19 U.S.C. §*
9 *1555(b)(8)(D) that:*
10 *(a) Operates pursuant to the provisions of 19 U.S.C. § 1555(b); and*
11 *(b) To the extent it sells cigarettes, only sells cigarettes that are duty-*
12 *free merchandise as defined in 19 U.S.C. § 1555(b)(8)(E).*
13 **Sec. 2.** NRS 370.180 is hereby amended to read as follows:
14 370.180 1. The department shall:
15 (a) Design ~~a suitable stamp or~~ *suitable* stamps for the purpose of this
16 chapter ~~+~~ *which meet the requirements of this section; and*
17 (b) From time to time, have as many revenue stamps printed as may be
18 required.
19 2. *Each stamp must be designed to permit the identification of the*
20 *dealer who affixed the stamp to a package or other container of*



1 *cigarettes. The dealer must be identified by a number or other mark on*
2 *the stamp. The department shall maintain, for not less than 3 years after*
3 *the date the stamp is provided to the dealer, a record of the information*
4 *necessary to identify the dealer by examining the stamp. Upon request,*
5 *the department shall provide to any person the information maintained*
6 *pursuant to this subsection.*

7 **3.** The use of a metered stamping machine approved by and registered
8 with the department shall be subject to such regulations as prescribed by
9 the department.

10 **Sec. 3.** NRS 370.240 is hereby amended to read as follows:

11 370.240 1. Each dealer authorized to purchase or affix cigarette
12 revenue stamps shall report to the department:

13 (a) The inventory of all cigarettes in his possession or control at the
14 close of business on the last day of each month.

15 (b) The total value of all cigarette revenue stamps affixed by him upon
16 cigarette packages sold in or shipped into the state by him during the
17 preceding month.

18 2. The report must be made by the 25th day of the month following
19 shipments upon forms to be provided by the department.

20 3. The dealer may be allowed 5 additional days to file his report, if he
21 makes prior written application to the department and the department finds
22 good cause for extension.

23 *4. If, during the preceding month, the dealer affixed cigarette*
24 *revenue stamps upon cigarette packages imported into the United States,*
25 *he shall file with the report a copy of each certificate submitted pursuant*
26 *to 19 U.S.C. § 1681a(c) with regard to the cigarette packages.*

27 **Sec. 4.** The amendatory provisions of this act do not apply to offenses
28 committed before July 1, 2001.

29 **Sec. 5.** This act becomes effective on July 1, 2001.

