

1 **ARTICLE 12**

2 RELATING TO REVENUE

3 SECTION 1. Sections 44-20-12 and 44-20-13 of the General Laws in Chapter 44-20
4 entitled "Cigarette Tax" are hereby amended to read as follows:

5 **§ 44-20-12. Tax imposed on cigarettes sold.** – A tax is imposed on all cigarettes sold or
6 held for sale in the state. The payment of the tax to be evidenced by stamps, which may be
7 affixed only by licensed distributors to the packages containing such cigarettes. Any cigarettes on
8 which the proper amount of tax provided for in this chapter has been paid, payment being
9 evidenced by the stamp, is not subject to a further tax under this chapter. The tax is at the rate of
10 ~~one hundred eighty seven and one half (187.5)~~ two hundred (200) mills for each cigarette.

11 **§ 44-20-13. Tax imposed on unstamped cigarettes.** - A tax is imposed at the rate of ~~one~~
12 ~~hundred eighty seven and one half (187.5)~~ two hundred (200) mills for each cigarette upon the
13 storage or use within this state of any cigarettes not stamped in accordance with the provisions of
14 this chapter in the possession of any consumer within this state.

15 SECTION 2. Chapter 44-20 of the General Laws entitled "Cigarette Tax" is hereby
16 amended by adding thereto the following section:

17 **§ 44-20-12.6. Floor stock tax on cigarettes and stamps.** – (a) Whenever used in this
18 section, unless the context requires otherwise:

19 (1) "Cigarette" means any cigarette as defined in § 44-20-1(2);

20 (2) "Person" means each individual, firm, fiduciary, partnership, corporation, trust, or
21 association, however formed.

22 (b) Each person engaging in the business of selling cigarettes at retail in this state shall
23 pay a tax or excise to the state for the privilege of engaging in that business during any part of the
24 calendar year 2016. In calendar year 2016, the tax shall be measured by the number of cigarettes
25 held by the person in this state at 12:01 a.m. on August 1, 2016 and is computed at the rate of
26 twelve and one half (12.5) mills for each cigarette on August 1, 2016.

27 (c) Each distributor licensed to do business in this state pursuant to this chapter shall pay
28 a tax or excise to the state for the privilege of engaging in that business during any part of the
29 calendar year 2016. The tax is measured by the number of stamps, whether affixed or to be
30 affixed to packages of cigarettes, as required by § 44-20-28. In calendar year 2016 the tax is

1 measured by the number of stamps, as defined in § 44-20-1(10), whether affixed or to be affixed,
2 held by the distributor at 12:01 a.m. on August 1, 2016, and is computed at the rate of twelve and
3 one half (12.5) mills per cigarette in the package to which the stamps are affixed or to be affixed.

4 (d) Each person subject to the payment of the tax imposed by this section shall, on or
5 before August 15, 2016, file a return, under oath or certified under the penalties of perjury, with
6 the tax administrator on forms furnished by him or her, showing the amount of cigarettes and
7 under subsection (b) above the number of stamps under subsection (c) above, in that person's
8 possession in this state at 12:01 a.m. on August 1, 2016, and the amount of tax due, and shall at
9 the time of filing the return pay the tax to the tax administrator. Failure to obtain forms shall not
10 be an excuse for the failure to make a return containing the information required by the tax
11 administrator.

12 (e) The tax administrator may prescribe rules and regulations, not inconsistent with law,
13 with regard to the assessment and collection of the tax imposed by this section.

14 SECTION 3. This article shall take effect as of August 1, 2016.