

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE DRS15063-MCx-120 (03/08)

Short Title: Eliminate Tobacco Discount.

(Public)

Sponsors: Senator Hartsell.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REPEAL THE DISCOUNT TO TOBACCO VENDORS WHO FILE A TIMELY
3 REPORT.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 105-113.21 reads as rewritten:

6 "§ 105-113.21. Discount; refund.

7 ...

8 (a1) ~~Discount. — A distributor who files a timely report under G.S. 105-113.18 and who~~
9 ~~sends a timely payment may deduct from the amount due with the report a discount of two~~
10 ~~percent (2%). This discount covers expenses incurred in preparing the records and reports~~
11 ~~required by this Part, and the expense of furnishing a bond.~~

12 (b) Refund. — A distributor in possession of packages of stale or otherwise unsalable
13 cigarettes upon which the tax has been paid may return the cigarettes to the manufacturer and
14 apply to the Secretary for refund of the tax. The application shall be in the form prescribed by
15 the Secretary and shall be accompanied by an affidavit from the manufacturer stating the
16 number of cigarettes returned to the manufacturer by the applicant. The Secretary shall refund
17 the tax paid, less the discount allowed, on the unsalable cigarettes."

18 SECTION 2. G.S. 105-113.39 reads as rewritten:

19 "§ 105-113.39. Discount; refund.

20 (a) ~~Discount. — A wholesale dealer or a retail dealer who is primarily liable under~~
21 ~~G.S. 105-113.35(b) for the excise taxes imposed by this Part, who files a timely report under~~
22 ~~G.S. 105-113.37, and who sends a timely payment may deduct from the amount due with the~~
23 ~~report a discount of two percent (2%). This discount covers expenses incurred in preparing the~~
24 ~~records and reports required by this Part and the expense of furnishing a bond.~~

25 (b) Refund. — A wholesale dealer or retail dealer who is primarily liable under
26 G.S. 105-113.35(b) for the excise taxes imposed by this Part and is in possession of stale or
27 otherwise unsalable tobacco products upon which the tax has been paid may return the tobacco
28 products to the manufacturer and apply to the Secretary for refund of the tax. The application
29 shall be in the form prescribed by the Secretary and shall be accompanied by an affidavit from
30 the manufacturer listing the tobacco products returned to the manufacturer by the applicant.
31 The Secretary shall refund the tax paid, less the discount allowed, on the listed products."

32 SECTION 3. This act becomes effective July 1, 2011.

