

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 2231

Short Title: Two-Cent Cigarette Mfr's Tax.

(Public)

Sponsors: Representatives Stamey; and Warner.

Referred to: Finance.

June 1, 1990

A BILL TO BE ENTITLED

AN ACT TO LEVY A TWO CENTS PER PACK LICENSE TAX ON CIGARETTE
MANUFACTURERS.

The General Assembly of North Carolina enacts:

Section 1. Article 2 of Chapter 105 of the General Statutes is amended by inserting a new section before G.S. 105-103 to read:

"§ 105-102.6. Cigarette manufacturers.

(a) Tax. Every person engaged in the business of manufacturing cigarettes shall apply for and obtain from the Secretary of Revenue a license for the privilege of doing business in this State. The manufacturer shall pay a tax of five dollars (\$5.00) for this license. In addition, the manufacturer shall, within 10 days after the last day of each month, report to the Secretary the number of cigarettes made by the manufacturer during the month and pay a tax at the rate of one mill for each cigarette manufactured. This additional tax is due when the report is filed. No county, city, or town may impose a license tax on the business taxed under this section.

(b) Cigarette Defined. As used in this section, 'cigarette' means:

(1) A roll of tobacco wrapped in paper or another substance that does not contain tobacco.

(2) A roll of tobacco wrapped in a substance that contains tobacco and that, because of its appearance, the type of tobacco used in the filler, or its packaging or labeling, is likely to be offered to or purchased by a consumer as a cigarette described in subdivision (1)."

Sec. 2. G.S. 105-109.1 reads as rewritten:

"§ 105-109.1. Interest.

1 ~~With respect to the~~ The taxes on gross receipts levied in G.S. 105-37.1(a), ~~105-38(7),~~
2 ~~105-39(e)-105-38(f)~~ and 105-65.1(b)(2), ~~and~~ the tax on installment paper dealers levied
3 in ~~G.S. 105-83(b),~~ G.S. 105-83(b), and the tax on cigarette manufacturers levied in G.S.
4 105-102.6 ~~all such taxes, including assessments of taxes or additional taxes,~~ shall bear
5 interest at the rate established under G.S. 105-241.1(i) from the time ~~such~~ the taxes were
6 due ~~to have been paid until paid, at rates established pursuant to G.S. 105-241.1(i).~~ until the
7 taxes are paid."

8 Sec. 3. Article 2A of Chapter 105 of the General Statutes is repealed.

9 Sec. 4. The Secretary of Revenue shall redeem any unused or mutilated but
10 identifiable tax stamps purchased pursuant to Article 2A of Chapter 105 of the General
11 Statutes that a taxpayer presents for redemption and shall refund the face value of the
12 stamps, less the discount allowed at the time of the purchase of the stamps by the
13 taxpayer.

14 Sec. 5. This act does not affect the rights or liabilities of the State, a taxpayer,
15 or another person arising under a statute repealed by this act before its repeal; nor does
16 it affect the right to any refund or credit of a tax that would otherwise have been
17 available under the repealed statute before its repeal. Prosecutions for offenses
18 committed before the effective date of this act are not abated or affected by this act, and
19 the statutes that would be applicable but for this act remain applicable to those
20 prosecutions.

21 Sec. 6. This act shall become effective July 1, 1990. The first monthly report
22 required by G.S. 105-102.6(a), as enacted by this act, is due on or before August 10,
23 1990.