

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

H

1

HOUSE BILL 693

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

(Public)

Sponsors: Representatives Warner; Barnes, Colton, Gottovi, Hurley, Luebke, McAllister, Stamey, and Withrow.

Referred to: Finance.

April 11, 1991

A BILL TO BE ENTITLED

AN ACT TO LEVY A ONE-CENT PER PACK LICENSE TAX ON CIGARETTE MANUFACTURERS AND TO REPEAL THE CURRENT TWO-CENT PER PACK EXCISE TAX ON CIGARETTES.

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-half 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)."

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

2   **"§ 105-109.1. Interest.**

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

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 Article 2A of Chapter 105 of the General Statutes is repealed.

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

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16 or another person arising under a statute repealed by this act before its repeal; nor does  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18 available under the repealed statute before its repeal.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

22          Sec. 6. This act becomes effective July 1, 1991. The first monthly report  
23 required by G.S. 105-102.6(a), as enacted by this act, is due on or before August 10,  
24 1991.