

LEGISLATIVE BILL 46

Approved by the Governor August 15, 2002

Introduced by Landis, 46

AN ACT relating to the cigarette tax; to amend section 77-2608, Revised Statutes Supplement, 2000; to change provisions relating to a discount for stamps; to repeal the original section; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 77-2608, Revised Statutes Supplement, 2000, is amended to read:

77-2608. The Tax Commissioner shall prepare and have suitable stamps for use on each kind of piece or package of cigarettes, except when cigarette tax meter impressions are affixed. Requisition for the preparation of such stamps shall be made through the materiel division of the Department of Administrative Services as other state supplies are requisitioned, and the Tax Commissioner and his or her bondsperson shall be liable for the value of all such stamps delivered to him or her. The Auditor of Public Accounts shall audit annually or as often as the auditor deems advisable the records of the Tax Commissioner with respect to the money received from the sale of stamps and as revenue from tax meter impressions for the purpose of determining the accuracy and correctness of the same. The Tax Commissioner shall sell the stamps only to licensed wholesale dealers, as defined in section 77-2601, and he or she shall keep an accurate record of all stamps coming into and leaving his or her hands. Such stamps shall be sold and accounted for at the face value thereof, except that the Tax Commissioner may, by rule and regulation certified to the State Treasurer, authorize the sale thereof to wholesale dealers in this state or outside of this state at a discount of three and four-tenths percent of such face value of the tax as a commission for affixing and canceling such stamps, except that for stamps sold beginning October 1, 2002, through September 30, 2004, the authorized commission for affixing and canceling such stamps shall be one and seven-tenths percent of the face value of the tax. Any wholesale dealer using a tax meter machine shall be entitled to the same discount as allowed a wholesale dealer for affixing and canceling the stamps. The money received by the Tax Commissioner from the sale of the stamps and as revenue from such tax meter impressions shall be deposited by him or her daily with the State Treasurer who shall credit such money as provided in section 77-2602. Upon proof by the Tax Commissioner that he or she can affix such stamps or meter impressions, warehouse and distribute such cigarettes, and collect such revenue at a cost less than ~~the three and four-tenths percent~~ any discount allowed to wholesale dealers pursuant to this section, he or she may then proceed to affix the stamps himself or herself after giving the wholesale dealers sixty days' notice and purchasing all equipment used by them for the purpose of affixing such stamps or meter impressions at a fair market value.

Sec. 2. Original section 77-2608, Revised Statutes Supplement, 2000, is repealed.

Sec. 3. Since an emergency exists, this act takes effect when passed and approved according to law.