



General Assembly

January Session, 2003

Raised Bill No. 1140

LCO No. 4253

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING TAXES AND FEES RELATED TO LICENSED CIGARETTE VENDORS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) (a) It shall be unlawful for
2 any person engaged in the business of selling cigarettes to ship or
3 cause to be shipped any cigarettes to any person in this state who is
4 not: (1) A person licensed by the Commissioner of Revenue Services as
5 a distributor or dealer under the provisions of chapter 214 of the
6 general statutes, (2) an export warehouse proprietor or an operator of a
7 customs bonded warehouse, or (3) a person who is an officer,
8 employee or agent of the United States government or of this state, or
9 any political subdivision of this state, when such person is acting in
10 accordance with his or her official duties.

11 (b) (1) It shall be unlawful for any common carrier or contract
12 carrier to knowingly deliver cigarettes to any person in this state
13 reasonably believed by such carrier to be other than a person described
14 in subsection (a) of this section. For purposes of this subsection, if
15 cigarettes are delivered by any such carrier to a home or residence, it
16 shall be presumed that such carrier knew that the person receiving the

17 cigarettes is not a person described in subsection (a) of this section.

18 (2) It shall be unlawful for any other person to knowingly deliver
19 cigarettes to any person in this state, other than to a person described
20 in subsection (a) of this section, except that a person other than a
21 common or contract carrier may deliver not more than eight hundred
22 cigarettes at any one time to any person in this state.

23 (c) Any person engaged in the business of selling cigarettes who
24 ships or causes to be shipped any cigarettes to any person in this state
25 (1) shall require, as a condition of delivery, that the customer who is
26 receiving the cigarettes shall sign an acknowledgment of receipt and
27 provide proper proof of age, and (2) may not sell such cigarettes to
28 such customer unless such proof of age is provided.

29 Sec. 2. Section 12-306b of the general statutes is repealed and the
30 following is substituted in lieu thereof (*Effective from passage*):

31 (a) (1) Any person required under this chapter to pay any tax, or
32 required under this chapter or by regulations adopted in accordance
33 with the provisions of section 12-293a or 12-313 to make a report, keep
34 any records or supply any information, who wilfully fails to pay such
35 tax, make such report, keep such records, or supply such information,
36 at the time required by law or regulations, and (2) any person who
37 violates the provisions of section 1 of this act, shall, in addition to any
38 other penalty provided by law, be fined not more than one thousand
39 dollars or imprisoned not more than one year, or both.
40 Notwithstanding the provisions of section 54-193, no person shall be
41 prosecuted for a violation of the provisions of this subsection
42 committed on or after July 1, 1997, except within three years next after
43 such violation has been committed. As used in this section, person
44 includes any officer or employee of a corporation or a member or
45 employee of a partnership under a duty to pay such tax, to make such
46 report, keep such records or supply such information.

47 (b) Any person who wilfully delivers or discloses to the

48 commissioner or [his] the commissioner's authorized agent any list,
49 report, account, statement, or other document, known by [him] such
50 person to be fraudulent or false in any material matter, shall, in
51 addition to any other penalty provided by law, be fined not more than
52 five thousand dollars or imprisoned not more than five years nor less
53 than one year, or both. No person shall be charged with an offense
54 under both subsections (a) and (b) of this section in relation to the
55 same tax period but such person may be charged and prosecuted for
56 both such offenses upon the same information.

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| This act shall take effect as follows: | |
| Section 1 | <i>from passage</i> |
| Sec. 2 | <i>from passage</i> |

Statement of Purpose:

To require that cigarettes shipped into this state are shipped to licensed distributors or dealers in order to assure that all taxes and fees related to cigarettes are paid.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]