

State of South Dakota

EIGHTY-THIRD SESSION
LEGISLATIVE ASSEMBLY, 2008

400P0156

SENATE BILL NO. 8

Introduced by: The Committee on Taxation at the request of the Department of Revenue and Regulation

1 FOR AN ACT ENTITLED, An Act to revise certain procedures used to assess and collect
2 unpaid cigarette taxes.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 10-50-6 be amended to read as follows:

5 10-50-6. ~~Any~~ No cigarette on which a ~~tax~~ the tax imposed by this chapter has been paid, the
6 payment being evidenced by the affixing of the stamp, is ~~not~~ subject to a further tax under this
7 chapter. ~~However, any person,~~ Any person who possesses or receives cigarettes that do not bear
8 a tax stamp or imprint indicating the South Dakota cigarette tax has been paid shall pay the tax
9 imposed pursuant to § 10-50-3. Any person who possesses or receives two thousand or more
10 cigarettes that do not bear a tax stamp indicating that the South Dakota cigarette tax has been
11 paid; shall pay the tax imposed pursuant to § 10-50-3 plus a penalty equal to ten percent of the
12 total tax due. Except as otherwise provided in this section, the provisions of chapter 10-59 apply
13 to the assessment and collection of such tax, penalty, and interest.

14 Section 2. That § 10-50-61 be amended to read as follows:

15 10-50-61. In addition to the tax imposed by § 10-50-3, there is imposed, whether or not a



1 sale occurs, a tax upon all tobacco products in this state and upon any person engaged in
2 business as a licensed distributor or licensed wholesaler thereof, at the rate of thirty-five percent
3 of the wholesale purchase price of such tobacco products. ~~Such~~ The tax shall be imposed at the
4 time the distributor or wholesaler brings or causes to be brought into this state tobacco products
5 for sale; makes, manufactures, or fabricates tobacco products in this state for sale in this state;
6 or ships or transports tobacco products to dealers in this state to be sold by those dealers; or at
7 the time a person possesses or receives untaxed tobacco products. For the purposes of this
8 chapter, wholesale purchase price is the price for which a manufacturer sells tobacco products
9 to a licensed distributor or licensed wholesaler exclusive of any discount or other reduction.