
By: **Senator Brinkley**

Introduced and read first time: February 6, 2004

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Tobacco Tax - Tobacco Products other than Cigarettes - Payment of Tax by**
3 **Retailers**

4 FOR the purpose of requiring the Comptroller to adopt certain regulations relating to
5 the payment of the tobacco tax on certain tobacco products other than cigarettes
6 by certain entities; and generally relating to the administration of the tobacco
7 tax on certain tobacco products other than cigarettes.

8 BY repealing and reenacting, with amendments,
9 Article - Tax - General
10 Section 12-302
11 Annotated Code of Maryland
12 (1997 Replacement Volume and 2003 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
14 MARYLAND, That the Laws of Maryland read as follows:

15 **Article - Tax - General**

16 12-302.

17 (a) A manufacturer of sample cigarettes shall pay the tobacco tax on those
18 cigarettes distributed in the State without charge, in the manner that the
19 Comptroller requires by regulation, with the return that covers the period in which
20 the manufacturer distributed those cigarettes.

21 (b) The wholesaler who first possesses in the State unstamped cigarettes for
22 which tax stamps are required shall pay the tobacco tax on those cigarettes by buying
23 and affixing tax stamps.

24 (c) (1) The tobacco tax on other tobacco products shall be paid by the
25 wholesaler who sells the other tobacco products to a retailer or consumer in the State.

26 (2) If a retailer or consumer possesses other tobacco products in the
27 State on which the tobacco tax has not been paid, the retailer or consumer shall pay
28 the tobacco tax on those other tobacco products.

1 (D) THE COMPTROLLER SHALL ADOPT REGULATIONS TO AUTHORIZE
2 RETAILERS OF OTHER TOBACCO PRODUCTS IN THE STATE TO PAY THE TOBACCO TAX
3 ON OTHER TOBACCO PRODUCTS BASED ON PRODUCTS SOLD BY THE RETAILER
4 RATHER THAN ON PRODUCTS HELD IN THE RETAILER'S INVENTORY.

5 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 July 1, 2004.