
By: **Senator Green**
Introduced and read first time: February 3, 2006
Assigned to: Judicial Proceedings

Committee Report: Favorable
Senate action: Adopted
Read second time: March 24, 2006

CHAPTER_____

1 AN ACT concerning

2 **Tobacco Product Manufacturers - Master Settlement Agreement -**
3 **Definitions - Modifications**

4 FOR the purpose of making certain technical changes to certain definitions in a prior
5 enactment of the General Assembly to conform the enactment to the model
6 statute provided by the Master Settlement Agreement between the State of
7 Maryland and certain tobacco manufacturers in the United States; and
8 generally relating to conforming a prior enactment of the General Assembly to a
9 certain model statute.

10 BY repealing and reenacting, with amendments,
11 Chapter 169 of the Acts of the General Assembly of 1999, as amended by
12 Chapter 141 of the Acts of the General Assembly of 2001 and Chapter 348
13 of the Acts of the General Assembly of 2004
14 Section 1 2.(j)(1)

15 BY repealing and reenacting, with amendments,
16 Chapter 169 of the Acts of the General Assembly of 1999
17 Section 1 2.(k)

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

20 **Chapter 169 of the Acts of 1999, as amended by Chapter 141 of the Acts of**
21 **2001 and Chapter 348 of the Acts of 2004**

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

1 2. (j) (1) "Tobacco product manufacturer" means an entity that, after the date of
2 enactment of this Act, directly [and] (AND not exclusively through any [affiliate]
3 AFFILIATE):

4 (i) manufacturers cigarettes anywhere that [the] SUCH
5 manufacturer intends them to be sold in the United States, including cigarettes
6 intended to be sold in the United States through an importer (except where such
7 importer is an original participating manufacturer (as that term is defined in the
8 Master Settlement Agreement) that will be responsible for the payments under the
9 Master Settlement Agreement with respect to such cigarettes as a result of the
10 provisions of subsection II(mm) of the Master Settlement Agreement and that pays
11 the taxes specified in subsection II(z) of the Master Settlement Agreement, and
12 provided that the manufacturer of [the] SUCH cigarettes does not market or
13 advertise the cigarettes in the United States);

14 (ii) is the first purchaser anywhere for resale in the United States
15 of cigarettes manufactured anywhere that the manufacturer does not intend to be
16 sold in the United States; or

17 (iii) becomes a successor of an entity described in subparagraph (i)
18 or (ii) of this paragraph or paragraph (2) of this subsection.

19 **Chapter 169 of the Acts of 1999**

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
21 MARYLAND, That the Laws of Maryland read as follows:
22 2. Definitions.

23 (k) "Units sold" means the number of individual cigarettes:

24 (1) sold in the State by the applicable tobacco product manufacturer,
25 whether directly or through a distributor, retailer, or similar intermediary or
26 intermediaries, during the year in question; and

27 (2) as measured by excise taxes collected by the State on packs [or] (OR
28 "roll-your-own" tobacco [containers] CONTAINERS) bearing the excise tax stamp of
29 the State OR ON UNSTAMPED "ROLL-YOUR-OWN" TOBACCO CONTAINERS, WITH
30 EACH 0.09 OUNCES OF "ROLL-YOUR-OWN" TOBACCO EQUALING ONE (1) UNIT SOLD.
31 The State Comptroller shall promulgate regulations necessary to ascertain the
32 amount of State excise tax paid on the cigarettes of such tobacco product
33 manufacturer for each year.

34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
35 June 1, 2006.

