

SENATE BILL No. 244

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-7-2-8.

Synopsis: Distribution of tobacco products licensure. Requires an applicant for a license to distribute tobacco products to submit a letter from the manufacturer that will be supplying the applicant with tobacco products that states the manufacturer's intent to supply the applicant with tobacco products. Specifies that the statement of the manufacturer's intent does not apply to distribution of e-liquids.

Effective: July 1, 2016.

Ford

January 7, 2016, read first time and referred to Committee on Commerce & Technology.



Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

SENATE BILL No. 244

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 6-7-2-8, AS AMENDED BY P.L.205-2013,
2 SECTION 130, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2016]: Sec. 8. (a) A distributor, including a
4 person that sells tobacco products through an Internet web site, must
5 obtain a license under this section before it distributes tobacco products
6 in Indiana. The department shall issue licenses to applicants that
7 qualify under this section. A license issued under this section is valid
8 for one (1) year unless revoked or suspended by the department and is
9 not transferable.
- 10 (b) An applicant for a license under this section must submit proof
11 to the department of the appointment of an agent for service of process
12 in Indiana if the applicant is:
- 13 (1) an individual whose principal place of residence is outside
14 Indiana; or
15 (2) a person, other than an individual, that has its principal place
16 of business outside Indiana.
- 17 (c) **Except as provided in subsection (g)**, to obtain or renew a



- 1 license under this section, a person must:
- 2 (1) submit, for each location where it intends to distribute tobacco
- 3 products, an application that includes all information required by
- 4 the department;
- 5 (2) pay a fee of twenty-five dollars (\$25) at the time of
- 6 application; ~~and~~
- 7 (3) at the time of application, post a bond, issued by a surety
- 8 company approved by the department, in an amount not less than
- 9 one thousand dollars (\$1,000) and conditioned on the applicant's
- 10 compliance with this chapter; **and**
- 11 **(4) provide a statement of intent from the manufacturer that**
- 12 **will be supplying the person with tobacco products that states**
- 13 **the manufacturer's intent to supply the person with tobacco**
- 14 **products.**
- 15 (d) If business is transacted at two (2) or more places by one (1)
- 16 distributor, a separate license must be obtained for each place of
- 17 business.
- 18 (e) Each license must be numbered, show the name and address of
- 19 the distributor, and be posted in a conspicuous place at the place of
- 20 business for which it is issued.
- 21 (f) If the department determines that a bond provided by a licensee
- 22 is inadequate, the department may require a new bond in the amount
- 23 necessary to fully protect the state.
- 24 **(g) Subsection (c)(4) does not apply to distribution of e-liquids**
- 25 **as described under IC 7.1-7.**

