

2010 -- H 7012

LC00051

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

A N A C T

RELATING TO TAXATION – CIGARETTE TAX

Introduced By: Representative Arthur J. Corvese

Date Introduced: January 06, 2010

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-20-4.1 of the General Laws in Chapter 44-20 entitled "Cigarette  
2 Tax" is hereby amended to read as follows:

3 **44-20-4.1. License availability.** -- No license under this chapter may be granted,  
4 maintained or renewed if the applicant, or any combination of persons owning directly or  
5 indirectly, in the aggregate, more than ten percent (10%) of the ownership interests in the  
6 applicant:

7 (a) Owes five hundred dollars (\$500) or more in delinquent cigarette taxes;

8 (b) Had a license under this chapter revoked by the administrator within the past two (2)  
9 years;

10 (c) Has been convicted of a crime relating to cigarettes stolen or counterfeit cigarettes;

11 (d) Is a cigarette manufacturer or importer that is neither: (i) a participating manufacturer  
12 as defined in subsection II (jj) of the "Master Settlement Agreement" as defined in section 23-71-  
13 2; nor (ii) in full compliance with chapter 20.2 of this title and section 23-71-3;

14 (e) Has imported, or caused to be imported, into the United States any cigarette in  
15 violation of 19 U.S.C. section 1681a; ~~or~~

16 (f) Has imported, or caused to be imported into the United States, or manufactured for  
17 sale or distribution in the United States any cigarette that does not fully comply with the Federal  
18 Cigarette Labeling and Advertising Act (15 U.S.C. section 1331, et. seq);

19 (g) No license under this chapter may be granted, maintained or renewed if:

1           (i) The applicant, or any combination of entities controlled by or under common control  
2 with the applicant, is a health care facility licensed under chapter 17 of title 23 to provide health  
3 care services; or

4           (ii) The applicant, or any combination of entities controlled by or under common control  
5 with the applicant, is licensed as a pharmacy under chapter 19.1 of title 5 to compound and  
6 dispense prescriptions at the same location at which any entity, including the applicant or any  
7 combination of entities controlled by or under common control with the applicant, maintains a  
8 health care facility license under chapter 17 of title 23 to provide health care services.

9           SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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RELATING TO TAXATION – CIGARETTE TAX

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1           This act would prohibit the granting of a license under chapter 44-20, the "Cigarette  
2 Tax," to applicants who are licensed as a health care facility and/or in certain instances, as a  
3 pharmacy.

4           This act would take effect upon passage.

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