LC01100

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2010

AN ACT

RELATING TO TAXATION - CIGARETTE TAX

Introduced By: Senators Sosnowski, Perry, Blais, and Doyle

Date Introduced: February 11, 2010

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-20 of the General Laws entitled "Cigarette Tax" is hereby amended by adding thereto the following section: 44-20-59. Certain practices prohibited. -- (a) No dealer, as defined in subdivision 44-3 20-1(3), nor any person selling or distributing tobacco products to consumers shall: 4 5 (1) Cause, require, or induce any person or persons to buy more than one pack or carton of cigarettes or one package of any other tobacco product at a time by reducing the price of the 6 7 additional packs, cartons, or packages or reducing the average per-pack, per-carton or per-8 package price of the multiple packs, cartons, or packages compared with the price of a single 9 pack, carton, or package; 10 (2) Increase the number of cigarettes contained in any pack, carton or other package of 11 cigarettes sold or offered for sale without proportionately increasing the price; 12 (3) Allow or encourage any game or promotion at the point of sale or distribution which 13 involves the award, sale, or distribution of any cigarettes or other tobacco products for free or at a 14 discounted price; or 15 (4) Distribute, sell, or offer for distribution or sale any cigarettes or other tobacco products for free or through a two-packs-for-the-price-of-one, buy-two-packs-get-one-free, buy-16 17 two cartons-get-one-free, or any similar arrangement. 18 (b) Nothing in this section shall be construed to prohibit the sale of a carton of cigarettes 19 for less than the price of ten (10) packs of cigarettes so long as the discounted price is no lower

- 1 than ninety percent (90%) of the total price of ten (10) single packs of the same brand and type of
- 2 <u>cigarettes when purchased individually.</u>
- 3 SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

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1	This act would prohibit persons distributing cigarettes from inducing a person to buy
2	more than one pack or carton of cigarettes, or increasing the numbers of cigarettes in any pack, or
3	allowing or encouraging any game or promotion at the point-of-sale or distribution which
4	involves the award of any cigarettes, or distributing cigarettes for free.
5	This act would take effect upon passage.

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