

HOUSE FLOOR AMENDMENT EXPLANATION



Bill Number: **SB 1240**

Mitchell Floor Amendment

SB 1240 reorganizes and makes changes to statutes relating to transport, sale, tax, acquisition and possession of tobacco products.

The two page Mitchell Floor Amendment dated 03/10/2015 at 4:14 p.m.:

- Provides that the imposed tax must be refunded within six months after a distributor returns a luxury to the manufacturer or importer, and proof of the return is made to the Department of Revenue (department).
- Clarifies that record documentation and invoices regarding tobacco manufacturers, importers, distributors and retailers must be in a format prescribed by the department.
- Requires a distributor to include referenced dates of distribution and invoice numbers from the applicable invoice documentation upon filing a return.
- Authorizes the *ounces of roll-your-own tobacco* that were distributed to be recorded and included in the tax return file.
- Makes technical and conforming changes.

Amendment explanation prepared by Amanda Barnes

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3/16/2015

MITCHELL FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1240
(Reference to Senate engrossed bill)

1 Page 23, between lines 38 and 39, insert:

2 "Sec. 12. Section 42-3008, Arizona Revised Statutes, is amended to
3 read:

4 42-3008. Refunds; definitions

5 A. Except as provided in subsection C of this section, the tax imposed
6 by this chapter ~~upon~~ ON any luxury shall be refunded when the amount of the
7 tax has been paid and when ~~either~~ ONE OF THE FOLLOWING APPLIES:

8 1. Proof is made to the department that the luxuries were exported
9 from this state or that the stamps have been affixed to luxuries ~~upon~~ ON
10 which stamps are not required.

11 2. Proof is made to the department that the luxury becomes unfit for
12 sale due to breakage or spoilage within either six months from the date that
13 the distributor originally receives the luxury for sale or two months from
14 the date that the luxury was returned to the distributor by a retailer,
15 whichever occurs later.

16 3. WITHIN SIX MONTHS AFTER A DISTRIBUTOR RETURNS A LUXURY TO THE
17 MANUFACTURER OR IMPORTER, PROOF OF THE RETURN IS MADE TO THE DEPARTMENT.

18 B. The manner of making proof shall be in accordance with rules
19 adopted by the department.

20 C. The department shall not refund the tax for stamps that are affixed
21 to luxuries that are deemed contraband under this chapter.

22 D. Except as otherwise provided in section 42-1123, interest is
23 calculated sixty days after receipt by the department of a claim for refund
24 under this section.

25 E. For the purposes of this section:

26 1. "Breakage" means damage to the outer wrapping or container of a
27 tobacco product.

28 2. "IMPORTER" AND "MANUFACTURER" HAVE THE SAME MEANINGS PRESCRIBED IN
29 SECTION 42-3451.

- 1 ~~2-~~ 3. "Spoilage" means mutilation, ~~or~~ product expiration OR UNFIT FOR
2 INTENDED CONSUMPTION."
- 3 Renumber to conform
- 4 Page 31, line 10, after "or" insert "EQUIVALENT"; after "documentation" insert "FOR
5 EACH TRANSACTION SHALL BE IN THE FORM AND MANNER PRESCRIBED BY THE DEPARTMENT
6 AND"
- 7 Page 40, lines 14, 16 and 19, after "cigarettes" insert "AND ROLL-YOUR-OWN TOBACCO"
8 Line 23, after "shipped" insert ", WITH REFERENCE TO THE DATES OF DISTRIBUTION
9 OR SHIPMENT AND CORRESPONDING INVOICE NUMBERS FROM THE INVOICES DOCUMENTING
10 THE DISTRIBUTION OR SHIPMENTS"
- 11 Line 24, after "cigarettes" insert "AND ROLL-YOUR-OWN TOBACCO"
12 Line 28, after "shipped" insert ", WITH REFERENCE TO THE DATES OF DISTRIBUTION
13 OR SHIPMENT AND CORRESPONDING INVOICE NUMBERS FROM THE INVOICES DOCUMENTING
14 THE DISTRIBUTION OR SHIPMENTS"
- 15 Lines 29, 32 and 35, after "cigarettes" insert "AND ROLL-YOUR-OWN TOBACCO"
16 Line 36, after "cigarettes" insert "AND OUNCES OF ROLL-YOUR-OWN TOBACCO"
17 Line 42, strike "individual cigarettes" insert "OUNCES OF ROLL-YOUR-OWN TOBACCO"
- 18 Page 41, line 6, after "cigarettes" insert "AND OUNCES OF ROLL-YOUR-OWN TOBACCO"
19 Line 12, strike "individual cigarettes" insert "OUNCES OF ROLL-YOUR-OWN TOBACCO"
20 Line 13, after "cigarettes" insert "AND OUNCES OF ROLL-YOUR-OWN TOBACCO"
21 Line 20, strike "individual cigarettes" insert "OUNCES OF ROLL-YOUR-OWN TOBACCO"
22 Line 21, after "cigarettes" insert "AND OUNCES OF ROLL-YOUR-OWN TOBACCO"
23 Line 27, strike "individual cigarettes" insert "OUNCES OF ROLL-YOUR-OWN TOBACCO"
24 Line 29, after "invoice" strike remainder of line insert ", IN THE FORM AND
25 MANNER PRESCRIBED BY THE DEPARTMENT, FOR"
- 26 Line 36, after "cigarettes" insert "AND ROLL-YOUR-OWN TOBACCO"
27 Line 37, after "with" insert ", AND IN THE FORM AND MANNER PRESCRIBED BY,"
- 28 Amend title to conform

DARIN MITCHELL

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