

State of Arizona  
Senate  
Forty-fifth Legislature  
First Regular Session  
2001

CHAPTER 254

# SENATE BILL 1068

AN ACT

AMENDING SECTION 42-3210, ARIZONA REVISED STATUTES; AMENDING TITLE 42, CHAPTER 3, ARTICLE 5, ARIZONA REVISED STATUTES, BY ADDING SECTION 42-3211; RELATING TO LUXURY PRIVILEGE TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-3210, Arizona Revised Statutes, is amended to  
3 read:

4 42-3210. Unlawful use of stamps; classification; definition

5 A. A person may not affix a tax stamp to a package of cigarettes if  
6 the package:

7 1. Differs from the requirements of the federal cigarette labeling and  
8 advertising act (~~Public Law~~ P.L. 89-92; 79 Stat. 282; 15 United States Code  
9 section 1331) relating to label warnings or other information on packages of  
10 cigarettes for sale in the United States.

11 2. Is labeled "for export only", "U.S. tax exempt", "for use outside  
12 U.S." or with similar words that indicate the manufacturer did not intend for  
13 the product to be sold in the United States.

14 3. Has been altered by adding or deleting the wording, labels or  
15 warnings described in paragraph 1 or 2.

16 4. Is placed in a carton, or any other package containing several  
17 individually stamped packages, that has been altered by adding or deleting  
18 the wording, labels or warnings described in paragraph 1 or 2.

19 5. Has been imported into the United States on or after January 1,  
20 2000 in violation of 26 United States Code section 5754 OR IS THE SUBJECT OF  
21 A VIOLATION OF 19 UNITED STATES CODE SECTIONS 1681 THROUGH 1681b, INCLUSIVE,  
22 OR 15 UNITED STATES CODE SECTION 1335a.

23 6. Violates federal trademark or copyright laws.

24 B. The director may:

25 1. Revoke any license issued to a distributor who sells or offers for  
26 sale cigarette packages that are stamped in violation of subsection A of this  
27 section.

28 2. Seize and destroy, or sell to the manufacturer, packages of  
29 cigarettes that are stamped in violation of subsection A ~~of this section~~.

30 C. A person who sells or offers for sale cigarette packages that are  
31 stamped in violation of subsection A ~~of this section~~ is guilty of a class 2  
32 misdemeanor.

33 D. ANY PERSON WHO SELLS, DISTRIBUTES, OR MANUFACTURES CIGARETTES AND  
34 SUSTAINS DIRECT ECONOMIC OR COMMERCIAL INJURY AS A RESULT OF A VIOLATION OF  
35 THIS SECTION MAY BRING AN ACTION IN GOOD FAITH FOR APPROPRIATE INJUNCTIVE  
36 RELIEF.

37 E. THIS SECTION DOES NOT APPLY TO CIGARETTES ALLOWED TO BE IMPORTED  
38 OR BROUGHT INTO THE UNITED STATES FOR PERSONAL USE, OR TO CIGARETTES SOLD OR  
39 INTENDED TO BE SOLD AS DUTY FREE MERCHANDISE BY A DUTY FREE SALES ENTERPRISE  
40 PURSUANT TO 19 UNITED STATES CODE SECTION 1555(b). THIS SUBSECTION DOES NOT  
41 APPLY TO CIGARETTES THAT ARE BROUGHT BACK INTO THE CUSTOMS TERRITORY FOR  
42 RESALE WITHIN THE CUSTOMS TERRITORY.

43 ~~D.~~ F. For purposes of this section, "package" means any kind of pack,  
44 carton or container in which cigarettes are sold, offered for sale or  
45 otherwise distributed or intended for distribution to consumers.

1 G. A VIOLATION OF THIS SECTION IS ALSO A VIOLATION OF TITLE 44,  
2 CHAPTER 10, ARTICLE 7.

3 Sec. 2. Title 42, chapter 3, article 5, Arizona Revised Statutes, is  
4 amended by adding section 42-3211, to read:

5 42-3211. Cigarette distributors; filing requirements

6 ON OR BEFORE THE TWENTIETH DAY OF EACH MONTH, EACH CIGARETTE  
7 DISTRIBUTOR SHALL FILE A RETURN IN A FORM PRESCRIBED BY THE DEPARTMENT FOR  
8 ALL CIGARETTES THAT ARE IMPORTED INTO THE UNITED STATES DURING THE PRECEDING  
9 MONTH ON WHICH THE DISTRIBUTOR AFFIXED THE LUXURY STAMP PURSUANT TO SECTION  
10 42-3203. THE RETURN SHALL CONTAIN:

- 11 1. A SCHEDULE THAT LISTS EACH BRAND AND BRAND STYLE OF CIGARETTES.
- 12 2. THE QUANTITY OF EACH BRAND STYLE OF CIGARETTES.
- 13 3. EACH CIGARETTE SUPPLIER.
- 14 4. EACH PERSON, IF ANY, TO WHOM THE CIGARETTES HAVE BEEN CONVEYED FOR  
15 RESALE.
- 16 5. COPIES OF THE CUSTOMS CERTIFICATES WITH RESPECT TO SUCH CIGARETTES  
17 REQUIRED TO BE SUBMITTED BY 19 UNITED STATES CODE SECTION 1681a(c).

APPROVED BY THE GOVERNOR APRIL 26, 2001.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 27, 2001.

Passed the House April 17, 20 01

by the following vote: 41 Ayes,

12 Nays, 7 Not Voting

Speaker of the House

Chief Clerk of the House

Passed the Senate January 29, 20 01

by the following vote: 29 Ayes,

0 Nays, 1 Not Voting

President of the Senate

Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

~~\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Secretary to the Governor~~

~~Approved this \_\_\_\_\_ day of~~

~~\_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Governor of Arizona~~

S.B. 1068

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

~~this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,~~

~~at \_\_\_\_\_ o'clock \_\_\_\_\_ M.~~

~~\_\_\_\_\_  
Secretary of State~~

SENATE CONCURS IN HOUSE  
AMENDMENTS AND FINAL PASSAGE

Passed the Senate April 24, 2001

by the following vote: 27 Ayes,

1 Nays, 1 Not Voting  
1 Vacancy

[Signature]  
President of the Senate  
[Signature]  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

24 day of April, 2001,

at 3:28 o'clock P M.

[Signature]  
Secretary to the Governor

APPROVED THIS 26 day of

April, 2001,

at 12:46 o'clock A M.

[Signature]  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 27 day of April, 2001,

at 3:45 o'clock P M.

[Signature]  
Secretary of State

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