

AN ACT

ENTITLED, An Act to provide monetary penalties for failure of tobacco distributors and wholesalers to comply with certain cigarette regulations.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 10-50-80 be amended to read as follows:

10-50-80. No later than twenty days after the end of each calendar quarter, and more frequently if so directed by the secretary, each distributor and wholesaler shall submit information concerning each nonparticipating manufacturer as the secretary requires to facilitate compliance with §§ 10-50-72 to 10-50-92, inclusive, including, a list by brand family of the total number of cigarettes or, in the case of roll-your-own, the equivalent stick count, for which the distributor or wholesaler affixed cigarette tax stamps or imprints to a cigarette package, or otherwise paid the cigarette tax due during the previous calendar quarter. The distributor or wholesaler shall maintain and make available to the secretary all invoices and documentation of sales of all nonparticipating manufacturer cigarettes and any other information relied upon in reporting to the secretary for a period of six years. The secretary may, in addition to any other provision of law, impose and collect a monetary penalty in an amount not to exceed five hundred dollars per day, for the failure of a distributor or wholesaler to timely or accurately comply with this section. Any monetary penalty collected pursuant to this section shall be deposited in the state general fund.

Section 2. That § 10-50-82 be amended to read as follows:

10-50-82. No distributor or wholesaler or other person may:

- (1) Affix a South Dakota cigarette tax stamp or imprint to a package or other container of cigarettes, or pay South Dakota cigarette tax on cigarettes of a tobacco product manufacturer or brand family not included in the directory; or
- (2) Sell or distribute, or acquire, hold, own, possess, transport, import, or cause to be

imported, cigarettes of a tobacco product manufacturer or brand family not included in the directory that the distributor, wholesaler, or other person knows or should know are intended for distribution or sale in this state.

The secretary may, in addition to any other provision of law, impose and collect a monetary penalty in an amount not to exceed the greater of five hundred percent of the retail value of the cigarettes or five thousand dollars for each violation of this section by a distributor or wholesaler. Any monetary penalty collected pursuant to this section shall be deposited in the state general fund.

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I certify that the attached Act originated in the

SENATE as Bill No. 26

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 26
File No. _____
Chapter No. _____

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Received at this Executive Office this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State