

April 12, 2007

H 1460. QUARTERLY ESCROW DEPOSITS. Filed 4/12/07. *TO ALLOW THE ATTORNEY GENERAL TO REQUIRE CERTAIN CIGARETTE MANUFACTURERS TO MAKE QUARTERLY ESCROW DEPOSITS.*

Amends GS 66-291 to allow the Attorney General to require cigarette manufacturers who have not previously established and funded a qualified escrow fund in North Carolina or who have not made a deposit into a qualified escrow fund in North Carolina for more than one year, to place money into escrow on a quarterly basis. Provides that manufacturers making quarterly deposits who fail to place funds in escrow have 10 days to place funds in escrow to be in compliance with the section. Sets the quarterly amount required to be deposited in escrow. Effective July 1, 2007.

Intro. by Cole.

GS 66

May 21, 2007

H 1460. QUARTERLY ESCROW DEPOSITS. Filed 4/12/07. House committee substitute makes the following changes to 2nd edition. Deletes the proposed amendments to GS 66-291. Enacts new GS 66-294.1(c) to add to the Attorney General's duties requiring nonparticipating manufacturers to make escrow deposits required under GS 66-291(a)(2) (tobacco reserve fund and escrow compliance requirements for payment into a qualified escrow fund) in quarterly installments during the year in which the sales covered by the deposits are made if one or more of the six conditions enumerated in the bill apply, including the nonparticipating manufacturer has not made any escrow deposits for more than one year, or the nonparticipating manufacturer has failed to pay any judgment, including any civil penalties. Provides for when the payments must be made, for providing notification of a requirement to make the payments, and for obtaining information to determining the amount of any payment.

July 30, 2007

H 1460. QTRLY ESCROW DEPOSITS/AFFILIATED DEALERS (NEW). Filed 4/12/07. Senate committee substitute makes the following changes to 2nd edition. Modifies proposed GS 66-294.1(c) to no longer allow quarterly escrow payments to be required of a nonparticipating manufacturer who sells more than one million cigarettes during a calendar quarter. Changes the effective date of the new statute from July 1, 2007, to January 1, 2008.

Amends GS 105-113.35(d) to provide that the permission granted to a manufacturer to be relieved of paying the tax on tobacco products applies to an integrated wholesale dealer that is an affiliate of the manufacturer. Provides that if a person granted permission to be relieved of paying the cigarette excise tax is both a cigarette manufacturer and a wholesaler of tobacco products other than cigarettes, then the permission applies to the tax imposed on tobacco products other than cigarettes. Amends GS 105-113.4 to include a definition of *integrated wholesale dealer*. Effective October 1, 2007.

Makes a conforming title change.

August 27, 2007

SL 2007-435 (H 1460). QUARTERLY ESCROW DEPOSITS/AFFILIATED DEALERS. AN ACT TO ALLOW THE ATTORNEY GENERAL TO REQUIRE CERTAIN CIGARETTE MANUFACTURERS TO MAKE QUARTERLY ESCROW DEPOSITS, TO TREAT CERTAIN AFFILIATES OF A MANUFACTURER OF OTHER TOBACCO PRODUCTS AS IF THEY WERE THE MANUFACTURER FOR PURPOSES OF ADMINISTRATION OF THE EXCISE TAX ON OTHER TOBACCO PRODUCTS, AND TO PROVIDE THAT THE PERMISSION GRANTED TO A CIGARETTE MANUFACTURER TO BE RELIEVED OF PAYING THE CIGARETTE EXCISE TAX APPLIES TO ALL TOBACCO PRODUCTS DISTRIBUTED BY THE MANUFACTURER. Summarized in *Daily Bulletin* 4/12/07, 5/21/07, and 7/30/07. Enacted August 23, 2007. Section 1 is effective January 1, 2008. The remainder is effective October 1, 2007.