

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 58th Legislature (2021)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2292

By: Roberts (Dustin) of the
House

and

Bullard of the Senate

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10 COMMITTEE SUBSTITUTE

11 An Act relating to tobacco products enforcement;
12 creating the Tobacco Products Tax Enforcement Act of
13 2021; authorizing establishment of Tobacco Products
14 Tax Enforcement Unit by Oklahoma Tax Commission and
15 enumerating duties; requiring submission of annual
16 report containing specified information; establishing
17 specified requirements and procedures for remittance
18 and reporting of tobacco products tax by a
19 wholesaler; providing for collection of tobacco
20 products tax by specified parties other than
21 wholesaler when tax is not remitted by wholesaler;
22 establishing liability of certain vendors under
23 specified circumstances; clarifying status of certain
24 vendors with respect to assessment of fines;
 establishing specified requirements and procedures
 for remittance and reporting of tobacco products tax
 by a retailer or consumer under specified
 circumstances; requiring retailers to purchase
 products from licensed wholesalers and providing
 penalty for noncompliance; requiring Tax Commission
 to make list of licensed wholesalers available in
 certain manner; directing Tax Commission to make
 administrative changes for specified purpose;
 amending 68 O.S. 2011, Sections 401, 402-1, as
 amended by Section 4, Chapter 8, 2nd Extraordinary
 Session, O.S.L. 2018, 403, 403.1, 403.2, 407, 412, as
 amended by Section 1, Chapter 334, O.S.L. 2013, 413,

1 as amended by Section 7, Chapter 357, O.S.L. 2012,
2 414, 415, 417, as amended by Section 6, Chapter 66,
3 O.S.L. 2018, 418, as amended by Section 2, Chapter
4 334, O.S.L. 2013, 420.1, 421, 422 and 426 (68 O.S.
5 Supp. 2020, Sections 402-1, 412, 413, 417 and 418),
6 which relate to tobacco products excise tax
7 compliance and enforcement; modifying definitions;
8 deleting definitions; defining term; deleting
9 requirement for stamps as evidence of tax; modifying
10 manner in which tobacco products tax is levied with
11 respect to use of stamps and deleting associated
12 procedures and penalties; imposing requirements on
13 wholesalers in sales transactions involving tobacco
14 products and deleting requirements on certain other
15 parties; modifying specified terms and procedures
16 related to taxation of certain sales subject to
17 tribal compacts; deleting reference to tax stamps for
18 certain products imported into the state; increasing
19 penalty for certain practices to deter enforcement by
20 inspection; conforming language; increasing penalty
21 for certain noncompliant carriers and specifying that
22 certain penalty is administrative; deleting
23 requirement for certain monthly reports; authorizing
24 Tax Commission or peace officer to confiscate certain
vehicles used to transport untaxed products; deleting
certain application requirement and procedures
related to distributing agents; increasing penalty
for wholesaler and retailer operating without a
license; authorizing Tax Commission, sheriff or
police to seize vehicle used in avoidance of tax;
increasing penalties for specified licensees for
transporting or possessing untaxed product; modifying
requirements related to maintenance of invoices or
other documentation; clarifying reference; increasing
penalty for sale of product subject to certain
exemption; providing for applicability of certain
compliance requirement; increasing penalty for
certain acts related to contraband products;
repealing 68 O.S. 2011, Sections 406, 408, 409 and
411, which relate to tobacco products excise tax
procedures; providing for codification; providing for
noncodification; providing an effective date; and
declaring an emergency.

1 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

2 SECTION 1. NEW LAW A new section of law to be codified
3 in the Oklahoma Statutes as Section 400 of Title 68, unless there is
4 created a duplication in numbering, reads as follows:

5 Sections 1 through 7 of this act shall be known and may be cited
6 as the "Tobacco Products Tax Enforcement Act of 2021".

7 SECTION 2. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 400.1 of Title 68, unless there
9 is created a duplication in numbering, reads as follows:

10 A. For the purpose of enforcing the tobacco tax laws of this
11 state, the Oklahoma Tax Commission is authorized to establish and
12 maintain a unit to be known as the "Tobacco Products Tax Enforcement
13 Unit". The unit shall enforce the tobacco tax laws of this state
14 and ensure that all taxes are paid on tobacco products by:

15 1. Confirming that all entities selling tobacco products in
16 this state are properly licensed as provided in Section 400 et seq.
17 of Title 68 of the Oklahoma Statutes;

18 2. Verifying that all retailers are only purchasing tobacco
19 products from wholesalers licensed by the Tax Commission;

20 3. Providing a dedicated telephone line and email address for
21 licensed wholesalers, licensed retailers and the general public to
22 report suspected violations of tobacco tax laws; provided, no
23 entity, individual or those who report violations on behalf of a
24

1 licensed wholesaler or retailer, shall be required to disclose their
2 identity;

3 4. Auditing licensed wholesalers and retailers to ensure all
4 tobacco product taxes are paid;

5 5. Issuing fines for violations as provided in Section 400 et
6 seq. of this title;

7 6. Conducting wholesale and retail tobacco inspections to find
8 and confiscate untaxed tobacco products;

9 7. Establishing data sharing programs with tax departments in
10 surrounding states related to tobacco product taxes;

11 8. Creating an industry advisory committee including licensed
12 wholesalers and retailers who may represent the entity related to
13 tobacco products tax enforcement concerns and suggestions. The
14 Oklahoma Tax Commission shall promulgate rules establishing the
15 membership and minimum requirements as may be deemed necessary to
16 carry out the purposes of the committee; and

17 9. Working with law enforcement and conducting investigations
18 to stop illegal acquisition and shipment of tobacco products by
19 persons not licensed to sell tobacco products in this state.

20 B. The Tax Commission shall annually submit a report to the
21 Governor, President Pro Tempore of the Senate and Speaker of the
22 House of Representatives listing the number of wholesale and retail
23 tobacco inspections conducted, the amount of untaxed tobacco
24 products confiscated, the number of tobacco products tax audits

1 conducted, the amount of taxes assessed and the amount of taxes
2 collected as the result of audits and confiscations, the number of
3 suspected violations reported and the actions taken in response, and
4 the number of fines issued and the amount of fines collected.

5 SECTION 3. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 400.2 of Title 68, unless there
7 is created a duplication in numbering, reads as follows:

8 A. The excise tax imposed pursuant to the provisions of Section
9 400 et seq. of Title 68 of the Oklahoma Statutes upon the sale,
10 distribution, use, exchange, barter or possession of tobacco
11 products within the state shall be due and payable on the first day
12 of each month by the wholesaler. For the purpose of ascertaining
13 the amount of the tax payable by the wholesaler, the wholesaler
14 shall file electronically with the Oklahoma Tax Commission, on or
15 before the twentieth day of each month and upon a form prescribed
16 and furnished by the Commission, a tobacco products tax report
17 signed by the wholesaler under oath. The report shall include:

18 1. All purchases and deliveries including invoices detailing
19 purchases and shipments from manufacturers to the wholesaler and
20 from the wholesaler to the licensed retailer for the previous
21 calendar month;

22 2. The taxes due under Section 400 et seq. of Title 68 of the
23 Oklahoma Statutes during the preceding calendar month; and
24

1 3. Any other information required by the Commission for the
2 purposes of correctly computing and collecting the tax levied
3 herein. In addition to the information required on reports, the Tax
4 Commission may request, and the taxpayer must furnish, any
5 information deemed necessary to enforce the provisions of Section
6 400 et seq. of title 68 of the Oklahoma Statutes. Such tax remitter
7 shall compute and remit to the Tax Commission the required tax due
8 for the preceding calendar month, the remittance or remittances of
9 the tax to accompany the reports herein required. If not filed or
10 paid on or before the twentieth day of such month, the tax shall be
11 delinquent from such date. If a report is not timely filed,
12 interest shall be charged from the date the report should have been
13 filed until the date the report is actually filed.

14 B. It shall not be necessary for any person or entity to
15 purchase stamps or affix stamps to tobacco products in order to
16 comply with the requirements of Section 400 et seq. of Title 68 of
17 the Oklahoma Statutes or the provisions of this act.

18 C. If the tobacco products tax report or payment of taxes is
19 due on any day specified in Section 82.1 of Title 25 of the Oklahoma
20 Statutes or on a date when the Federal Reserve Banks are closed,
21 such requirements may be performed on the next succeeding business
22 day and no liability shall result from the delay.
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1 D. The monthly reports shall be filed electronically in the
2 format prescribed by the Tax Commission and the tax shall be
3 remitted to the Tax Commission by electronic funds transfer.

4 SECTION 4. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 400.3 of Title 68, unless there
6 is created a duplication in numbering, reads as follows:

7 A. In the event the tax imposed by Section 400 et seq. of Title
8 68 of the Oklahoma Statutes is not otherwise paid by the wholesaler
9 as provided in Section 3 of this act, the tax shall be collected as
10 a backup tax upon the first receipt of tobacco products by any
11 retailer or end user when received from a source outside of the
12 state or upon the first sale or use when the product is manufactured
13 in this state. Such tax is imposed upon, and shall be the liability
14 of, any such retailer or consumer who first received the tobacco
15 products in the state.

16 B. The ultimate vendor of tobacco products shall be jointly and
17 severally liable for the backup tax levied by subsection A of this
18 section if the ultimate vendor knows or has reason to know that the
19 tobacco products tax imposed by Section 400 et seq. of Title 68 of
20 the Oklahoma Statutes has not been paid.

21 C. The payment of the tax as provided in this section shall not
22 absolve any person from payment of fines assessed under this
23 article.

1 SECTION 5. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 400.4 of Title 68, unless there
3 is created a duplication in numbering, reads as follows:

4 In the event the tax imposed by this act is not paid by the
5 wholesaler as provided in Section 3 of this act and must be
6 collected as a backup tax from the retailer or consumer in
7 accordance with Section 4 of this act, the tax is due and payable by
8 the retailer or consumer on the first day of each month for the
9 preceding calendar month, and if not paid on or before the twentieth
10 day of the following month, shall be delinquent. The retailer or
11 consumer shall file with the Oklahoma Tax Commission, on forms
12 furnished by the Tax Commission, a return verified by affidavit
13 showing in detail the total purchase price of the tobacco products,
14 the location of the purchase of the tobacco products and any other
15 information the Tax Commission may deem reasonably necessary. With
16 each return, the retailer or consumer shall remit to the Tax
17 Commission the amount of tax shown on the return to be due. Reports
18 timely mailed shall be considered timely filed. If a report is not
19 timely filed, interest shall be charged from the date the report
20 should have been filed until the date the report is actually filed.

21 SECTION 6. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 400.5 of Title 68, unless there
23 is created a duplication in numbering, reads as follows:

1 A. Retailers shall only purchase tobacco products from an
2 Oklahoma-licensed tobacco wholesaler evidenced by a current listing
3 provided by the Oklahoma Tax Commission. All purchase invoices
4 shall contain the license number of the wholesaler and shall be made
5 available for inspection by the Tax Commission. Any purchases of
6 tobacco products from a person who is not holding a current Oklahoma
7 wholesale tobacco license shall be punishable by a fine of the
8 greater of One Thousand Dollars (\$1,000.00) or five times the unpaid
9 tax on such products. The fine shall be in addition to payment of
10 any unpaid tobacco products tax. A second or subsequent offense
11 shall be punishable by revocation of the license. If the retailer
12 fails to pay a fine within thirty (30) days, the retailer's license
13 shall be suspended until the fine is paid in full.

14 B. The Oklahoma Tax Commission shall make available for all
15 licensed retailers a list of currently licensed wholesalers at least
16 monthly or through the use of a website maintained by or on behalf
17 of the Oklahoma Tax Commission with updates made as often as
18 practical but no less than every thirty (30) days.

19 SECTION 7. NEW LAW A new section of law not to be
20 codified in the Oklahoma Statutes reads as follows:

21 The Oklahoma Tax Commission is hereby directed to provide
22 sufficient staff to comply with the Tobacco Products Tax Enforcement
23 Act of 2021. The Tax Commission may employ unclassified personnel
24 to staff the Tobacco Products Tax Enforcement Unit provided for in

1 Section 2 of this act, compensate the employees of the unit for
2 working overtime, develop alternative work schedules for members of
3 the Enforcement Unit to investigate reported tobacco products tax
4 evasion and expend funds for employees to participate in tobacco
5 products tax enforcement training provided by the Federation of Tax
6 Administrators.

7 The Tax Commission is also directed to enhance agency efforts to
8 discover and reduce tobacco products tax evasion. Such efforts may
9 include increased inspections of tobacco products retailers,
10 including inspections after normal business hours; enhanced tobacco
11 products tax auditing, including the auditing of out-of-state
12 licensed wholesalers; the acquisition and use of technology systems
13 designed to identify underreporting of tobacco products taxes; and
14 analysis of data from the electronic reporting of invoices by
15 tobacco products wholesalers.

16 SECTION 8. AMENDATORY 68 O.S. 2011, Section 401, is
17 amended to read as follows:

18 Section 401. For the purpose of this article:

19 (a) The word "person" shall mean any individual, company,
20 limited liability company, corporation, partnership, association,
21 joint adventure, estate, trust, or any other group, or combination
22 acting as a unit, and the plural as well as the singular, unless the
23 intention to give a more limited meaning is disclosed by the
24 context.

1 (b) The term "Tax Commission" shall mean the Oklahoma Tax
2 Commission.

3 (c) The word "wholesaler" shall include dealers whose principal
4 business is that of a wholesale dealer ~~or jobber~~, and who is known
5 to the trade as such, who shall sell any cigars or tobacco products
6 to licensed retail dealers only for the purpose of resale, ~~or giving~~
7 ~~them away, or exposing the same where they may be taken or~~
8 ~~purchased, or otherwise acquired by the retailer.~~

9 (d) The word "retailer" shall include every dealer, other than
10 a ~~wholesale dealer~~ wholesaler as defined above, whose principal
11 business is that of selling merchandise at retail, who shall sell,
12 or offer for sale, cigars or tobacco products, ~~irrespective of~~
13 ~~quantity, number of sales, giving the same away or exposing the same~~
14 ~~where they may be taken, or purchased, or otherwise acquired by the~~
15 ~~consumer.~~

16 (e) The word "consumer" shall mean a person who comes into
17 possession of tobacco for the purpose of consuming it, ~~giving it~~
18 ~~away, or disposing of it in any way by sale, barter or exchange.~~

19 (f) The words "first sale" shall mean and include the first
20 sale, or distribution, of cigars or tobacco products in intrastate
21 commerce, or the first use or consumption of cigars, or tobacco
22 products within this state.

23 (g) The words "tobacco products" shall mean any cigars,
24 cheroots, stogies, smoking tobacco (including granulated, plug cut,

1 crimp cut, ready rubbed and any other kinds and forms of tobacco
2 suitable for smoking in a pipe or cigarette), chewing tobacco
3 (including cavendish, twist, plug, scrap and any other kinds and
4 forms of tobacco suitable for chewing), however prepared; and shall
5 include any other articles or products made of tobacco or any
6 substitute therefor.

7 ~~(h) The term "distributing agent" shall mean and include every~~
8 ~~person in this state who acts as an agent of any person outside the~~
9 ~~state by receiving cigars and tobacco products in interstate~~
10 ~~commerce and storing such items subject to distribution or delivery,~~
11 ~~upon order from said person outside the state, to distributors,~~
12 ~~wholesale dealers and retail dealers, or to consumers. The term~~
13 ~~"distributing agent" shall also mean and include any person who~~
14 ~~solicits or takes orders for cigars and tobacco products to be~~
15 ~~shipped in interstate commerce to a person in this state by a person~~
16 ~~residing outside of Oklahoma, the tax not having been paid on such~~
17 ~~cigars and tobacco products.~~

18 ~~(i) The term "stamp" shall mean the stamp or stamps by use of~~
19 ~~which:~~

20 ~~1. The tax levied pursuant to the provisions of Section 401 et~~
21 ~~seq. of this title is paid;~~

22 ~~2. The tax levied pursuant to the provisions of Section 426 of~~
23 ~~this title is paid; or~~

1 ~~3. The payment in lieu of taxes authorized pursuant to a~~
2 ~~compact entered into by the State of Oklahoma and a federally~~
3 ~~recognized Indian tribe or nation pursuant to the provisions of~~
4 ~~subsection C of Section 346 of this title is paid.~~

5 ~~(j) The term "drop shipment" shall mean and include any~~
6 ~~delivery of cigars or tobacco products received by any person within~~
7 ~~the state when payment for such cigars or tobacco products is made~~
8 ~~to the shipper or seller by or through a person other than the~~
9 ~~consignee.~~

10 ~~(k) The term "cigars" shall include any roll of tobacco for~~
11 ~~smoking, irrespective of size or shape and irrespective of the~~
12 ~~tobacco being flavored, adulterated or mixed with any other~~
13 ~~ingredients, where such roll has a wrapper made chiefly of tobacco.~~

14 ~~(l) The word "dealer" shall include every person, firm,~~
15 ~~corporation, or association of persons, who manufactures cigars or~~
16 ~~tobacco products for distribution, sale, use or consumption in the~~
17 ~~State of Oklahoma. The word "dealer" is also further defined to~~
18 ~~mean any person, firm, corporation or association of persons, who~~
19 ~~imports cigars or tobacco products from any state or foreign~~
20 ~~country, for distribution, sale, use or consumption in the State of~~
21 ~~Oklahoma.~~

22 (i) The term "untaxed" means that the full amount of tax has
23 not been paid as required by Section 400 et seq. of this title.
24

1 SECTION 9. AMENDATORY 68 O.S. 2011, Section 402-1, as
2 amended by Section 4, Chapter 8, 2nd Extraordinary Session, O.S.L.
3 2018 (68 O.S. Supp. 2020, Section 402-1), is amended to read as
4 follows:

5 Section 402-1. In addition to the tax levied by Section 402 of
6 this title, there is hereby levied upon the sale, use, exchange or
7 possession of articles containing tobacco as defined in said Section
8 402, a tax in the following amounts:

9 (a) Upon cigars of all descriptions made of tobacco, or any
10 substitute therefor, and weighing more than three (3) pounds per
11 thousand, and having a manufacturer's recommended retail selling
12 price, under the Federal Code, of more than four cents (\$0.04) for
13 each cigar, Ten Dollars (\$10.00) per thousand. For the purpose of
14 computing the tax, cheroots, stogies, etc., are hereby classed as
15 cigars;

16 (b) Upon all smoking tobacco including granulated, plug cut,
17 crimp cut, ready rubbed and other kinds and forms of tobacco
18 prepared in such manner as to be suitable for smoking in a pipe or
19 cigarette, the tax shall be fifteen percent (15%) of the factory
20 list price exclusive of any trade discount, special discount or
21 deals; and

22 (c) Upon chewing tobacco, smokeless tobacco, and snuff, the tax
23 shall be ten percent (10%) of the factory list price exclusive of
24 any trade discount, special discount or deals.

1 This tax shall be paid by the consumer and no retailer may
2 advertise that he will pay or absorb this tax.

3 The tax herein levied on tobacco products shall be ~~evidenced by~~
4 ~~stamps and~~ collected on the same basis and in the same manner and in
5 all respects as the tax levied by the Tobacco Products Tax Law. The
6 revenue from this additional tax shall be apportioned by the
7 Oklahoma Tax Commission in the same manner as provided in Section
8 404 of this title, for the apportionment of other tobacco products
9 tax revenue.

10 SECTION 10. AMENDATORY 68 O.S. 2011, Section 403, is
11 amended to read as follows:

12 Section 403. (a) The excise taxes levied by this article shall
13 be paid by ~~affixing stamps in the manner and at the time herein set~~
14 ~~forth. In the case of cigars, including five-pack and other small~~
15 ~~packs, stogies and cheroots, the stamps shall be affixed to the box,~~
16 ~~or container, in which or from which normally sold at wholesale.~~
17 ~~Wholesalers and jobbers shall affix the required stamps within~~
18 ~~seventy-two (72) hours after such tobacco products are received by~~
19 ~~them. Any retailer shall have twenty-four (24) hours within which~~
20 ~~to affix the stamps after such tobacco products are received by him,~~
21 ~~or them~~ the wholesaler liable for payment of the tax. Provided that
22 the Tax Commission may, in its discretion, where it is practical and
23 reasonable for the enforcement of the collection of taxes provided
24 hereunder, promulgate such rules ~~and regulations~~ as to permit

1 cigars, stogies, cheroots, and tobacco products, to remain ~~unstamped~~
2 untaxed in the hands of the wholesalers ~~and jobbers~~ until the
3 original case or crate is broken, unpacked or sold.

4 (b) ~~In the case of tobacco products wrapped in packages of two~~
5 ~~(2) pounds or less, the stamps shall be affixed to the containers in~~
6 ~~which or from which the individual packages are normally sold at~~
7 ~~wholesale and the stamps shall be affixed by wholesalers and jobbers~~
8 ~~within seventy-two (72) hours after such products are received by~~
9 ~~them, and by any retailer within the twenty-four (24) hours of~~
10 ~~receipt by him or them of any such products. Such goods must be~~
11 ~~stamped before being sold. All retail dealers in manufactured~~
12 ~~tobacco products, purchasing or receiving such commodities from~~
13 ~~without the state, whether the same shall have been ordered through~~
14 ~~a wholesaler or jobber in this state and/or by drop shipment and/or~~
15 ~~otherwise, shall within five (5) days after receipt of same, mail a~~
16 ~~duplicate invoice of all such purchases or receipts to the Tax~~
17 ~~Commission. Failure to furnish duplicate invoices as required shall~~
18 ~~be deemed a misdemeanor, and, upon conviction, be punishable by a~~
19 ~~fine of not more than One Hundred Dollars (\$100.00) for each~~
20 ~~offense, or imprisonment in the county jail for a period not~~
21 ~~exceeding thirty (30) days.~~

22 ~~(c)~~ It is the intent and purpose of this section to require all
23 manufacturers within this state, wholesale dealers, jobbers,
24 ~~distributors and retail dealers,~~ wholesalers to affix the stamps pay

1 applicable tax provided for in this ~~section to~~ article upon the
2 sale, use, exchange or possession of taxable commodities, ~~but when~~
3 ~~the stamps have been affixed as required herein, no further or other~~
4 ~~stamp shall be required regardless of how often such articles may be~~
5 ~~sold or resold within this state.~~

6 SECTION 11. AMENDATORY 68 O.S. 2011, Section 403.1, is
7 amended to read as follows:

8 Section 403.1 The Oklahoma Tax Commission is hereby authorized
9 and empowered, if in its discretion it deems practical and
10 reasonable, to establish procedures for payment of excise taxes
11 levied in Section ~~401~~ 400 et seq. of this title, for the collection
12 from a wholesaler of payments in lieu of excise taxes authorized
13 pursuant to a compact entered into by the State of Oklahoma and a
14 federally recognized Indian tribe or nation pursuant to the
15 provisions of subsection C of Section 346 of this title, in respect
16 to articles containing tobacco, pursuant to monthly tobacco products
17 tax reports ~~in lieu of payment by purchasing and affixing stamps,~~
18 ~~notwithstanding the provisions of Section 403 et seq. of this title.~~
19 Provided, exercise by the Tax Commission of the authority granted
20 herein shall be by adoption of rules ~~and regulations~~ necessary to
21 establish procedures for collection of such tax through monthly
22 reporting procedures consistent with the provisions of Section ~~401~~
23 400 et seq. of this title, ~~other than those provisions relating~~
24 ~~directly to payment of such tax by purchasing and affixing stamps.~~

1 In the event the Tax Commission shall determine to collect such
2 tax through monthly reporting procedures and adopt rules and
3 regulations therefor:

4 1. All provisions of Section ~~401~~ 400 et seq. of this title
5 relating to ~~unstamped~~ untaxed tobacco products shall be interpreted
6 to include and shall be applicable to all tobacco products for which
7 the tax required by law has not been paid;

8 2. No person, ~~dealer, distributing agent~~ retailer or
9 wholesaler, as defined in Section ~~401~~ 400 of this title, shall
10 possess, sell, use, exchange, barter, give away or in any manner
11 deal with any tobacco products within this state upon which such tax
12 is levied and unpaid, ~~unless such person, dealer, retailer,~~
13 ~~distributing agent or wholesaler holds a valid tobacco license~~
14 ~~issued pursuant to Section 415 of this title; and~~

15 3. Any ~~person~~ wholesaler required to report and remit such
16 taxes or payments in lieu of taxes required pursuant to a compact
17 authorized by subsection C of Section 346 of this title to the Tax
18 Commission shall be allowed a discount of two percent (2%) of the
19 tax due for maintaining and collecting such tax or payments for the
20 benefit of the state, if such tax or payment is timely reported and
21 remitted.

22 SECTION 12. AMENDATORY 68 O.S. 2011, Section 403.2, is
23 amended to read as follows:
24

1 Section 403.2 A. It shall be unlawful ~~to affix a stamp to any~~
2 ~~package or container of tobacco products or~~ for any person to sell,
3 offer for sale, or import into this state any package or container
4 of tobacco products:

5 1. Which bears any label or notice prescribed by the United
6 States Department of Treasury to identify tobacco products intended
7 for export and exempt from tax by the United States pursuant to
8 Section 5704(b) of Title 26 of the United States Code or any notice
9 or label described in Section 290.185 of Title 27 of the United
10 States Code of Federal Regulations;

11 2. Which is not labeled in conformity with the provisions of
12 the Federal Cigarette Labeling and Advertising Act, or any other
13 federal requirement for the placement of labels, warnings or other
14 information applicable to packages or containers of tobacco products
15 intended for domestic consumption;

16 3. Upon which all federal taxes due have not been paid or which
17 is not in compliance with all federal trademark and copyright laws;
18 or

19 4. The packaging of which has been modified or altered by a
20 person other than the manufacturer or person specifically authorized
21 by the manufacturer, including, but not limited to, the placement of
22 a sticker or label to cover information on the package or container.

23 Possession of more than thirty (30) ounces of tobacco products
24 ~~in packages or containers bearing Oklahoma stamps~~ in violation of

1 this subsection by a person other than an employee of this state or
2 the federal government performing official duties relating to
3 enforcement of the provisions of Section ~~401~~ 400 et seq. of this
4 title shall constitute prima facie evidence of a violation of the
5 provisions of this subsection.

6 B. Except as otherwise provided by law, the Attorney General
7 shall enforce the provisions of this section.

8 SECTION 13. AMENDATORY 68 O.S. 2011, Section 407, is
9 amended to read as follows:

10 Section 407. It shall be provided by regulations of the Tax
11 Commission the methods of breaking packages, forms and kinds of
12 containers, ~~and methods of affixing stamps,~~ that shall be employed
13 by persons subject to the tax levied by this article which will make
14 possible the enforcement of payment by inspection; and any such
15 person engaging in or permitting such practices as are prohibited by
16 this article, or in any other practice which makes it difficult to
17 enforce the provisions of this article by inspection, and any person
18 or agent thereof who shall upon demand of any officer or agent of
19 the Tax Commission refuse to allow full inspection of the premises
20 or any part thereof, or who shall hinder or in anywise delay or
21 prevent such inspection when demand is made therefor, shall be
22 guilty of a misdemeanor and shall, upon conviction, be fined not
23 more than ~~Two Hundred Dollars (\$200.00)~~ Two Thousand Dollars

1 (\$2,000.00) for each offense, or imprisonment in the county jail for
2 a period not exceeding sixty (60) days or both.

3 SECTION 14. AMENDATORY 68 O.S. 2011, Section 412, as
4 amended by Section 1, Chapter 334, O.S.L. 2013 (68 O.S. Supp. 2020,
5 Section 412), is amended to read as follows:

6 Section 412. (a) Every wholesaler, ~~jobber, retailer or~~
7 ~~consumer~~ who purchases or allows to come into his or her possession
8 any ~~unstamped~~ untaxed merchandise coming under the scope of this
9 article shall file with the Oklahoma Tax Commission a surety or
10 collateral or cash bond in the amount of Twenty-five Thousand
11 Dollars (\$25,000.00), payable to the State of Oklahoma and
12 conditioned upon compliance with the provisions of this article and
13 the rules of the Tax Commission.

14 (b) Any consumer who purchases or brings into this state
15 ~~unstamped~~ untaxed cigars or tobacco products whereon the tax would
16 be more than twenty-five cents (\$0.25) is subject to the tax
17 thereon. Upon failure to pay the tax levied in this article, the
18 consumer shall be subject to a fine of not more than Five Hundred
19 Dollars (\$500.00) or not less than Twenty-five Dollars (\$25.00).
20 Provided, any person in possession of more than one thousand small
21 or large cigars or two hundred sixteen (216) ounces of chewing or
22 smoking tobacco products in packages or containers for which the tax
23 required by law has not been paid shall be punished by

1 administrative fines in the manner and amounts provided in
2 subsection D of Section 418 of this title.

3 SECTION 15. AMENDATORY 68 O.S. 2011, Section 413, as
4 amended by Section 7, Chapter 357, O.S.L. 2012 (68 O.S. Supp. 2020,
5 Section 413), is amended to read as follows:

6 Section 413. ~~A.~~ The right of a carrier in this state to carry
7 ~~unstamped~~ untaxed cigars and tobacco products shall not be affected
8 hereby; provided, that carriers delivering untaxed tobacco products
9 to any person in this state other than an Oklahoma-licensed
10 wholesaler for the purpose of selling or consuming untaxed tobacco
11 products in this state in violation of this article shall be subject
12 to seizure of the shipments and forfeiture of the inventory pursuant
13 to the provisions of Section 417 of this title. Provided further,
14 that should any such carrier sell any cigars and tobacco products in
15 this state, such sale shall be subject to the ~~stamp~~ tax and other
16 provisions of this article and to the rules of the Tax Commission.
17 The carrier transporting tobacco products and cigars to a point
18 within this state, or a bonded warehouseman or bailee having in its
19 possession tobacco products and cigars, shall transmit to the Tax
20 Commission a statement of such consignment of tobacco products and
21 cigars, showing the date, point of origin, point of delivery, and to
22 whom delivered. All carriers or bailees or warehousemen shall
23 permit an examination by the Tax Commission, or its agents or
24 legally authorized representatives, of their records relating to the

1 shipment or receipt of tobacco products and cigars. Any person who
2 fails or refuses to transmit to the Tax Commission the aforesaid
3 statement, or who refuses to permit the examination of his or her
4 records by the Tax Commission or its legally authorized agents or
5 representatives, shall be guilty of a misdemeanor and shall be
6 subject to a an administrative fine of not to exceed ~~Five Hundred~~
7 ~~Dollars (\$500.00)~~ Two Thousand Dollars (\$2,000.00) and not less than
8 ~~Twenty-five Dollars (\$25.00)~~ One Thousand Dollars (\$1,000.00).

9 ~~B. Wholesalers shall make a monthly report to the Tax~~
10 ~~Commission. Such report must be received in the office of the Tax~~
11 ~~Commission not later than the twentieth day of each month, showing~~
12 ~~purchases and invoices of all merchandise coming under this article,~~
13 ~~for the previous month; and the report shall also show the invoice~~
14 ~~number, the name and address of the consignee and consignor, the~~
15 ~~date, and such other information as may be requested by the Tax~~
16 ~~Commission. Retailers or consumers purchasing tobacco products and~~
17 ~~cigars in drop shipments shall be required to make monthly reports~~
18 ~~to the Tax Commission, as are required of wholesalers.~~

19 SECTION 16. AMENDATORY 68 O.S. 2011, Section 414, is
20 amended to read as follows:

21 Section 414. (a) Each truck or vehicle wherefrom cigars or
22 tobacco products are sold shall be considered as a place of business
23 and required to have a wholesale license and a bond of not less than
24 Five Hundred Dollars (\$500.00).

1 (b) Any person operating a truck or vehicle by selling,
2 exchanging, or giving away ~~unstamped~~ untaxed merchandise covered by
3 this article shall be deemed guilty of violation of same and shall
4 be penalized as hereinbefore set forth, and ~~unstamped~~ untaxed
5 merchandise handled by ~~him~~ this person as well as the vehicle used
6 to transport the untaxed tobacco products shall be subject to
7 confiscation by authorized agents of the Tax Commission or duly
8 authorized peace officers.

9 (c) After seizure or confiscation by such agent or officer, the
10 merchandise and property shall be held until all taxes, interest and
11 penalties due have been paid. If not paid within five (5) days
12 after date of seizure, it shall be sold at public sale by the
13 sheriff of the county where confiscated, after being advertised by
14 posting of notice of such sale in five public places in the county
15 where the sale is to occur. The proceeds of the sale shall be
16 applied to taxes, interest and penalties due and to the cost of the
17 sale, and the remainder, if any, shall be paid to the State
18 Treasurer, by the sheriff conducting such sale, to be deposited to
19 the credit of the General Revenue Fund.

20 SECTION 17. AMENDATORY 68 O.S. 2011, Section 415, is
21 amended to read as follows:

22 Section 415. A. Every ~~dealer and~~ wholesaler of tobacco
23 products in this state, as a condition of carrying on such business,
24 shall annually secure from the Oklahoma Tax Commission a written

1 license and shall pay an annual fee of Two Hundred Fifty Dollars
2 (\$250.00); provided, such fee shall not be applicable if paid
3 pursuant to Section 304 of this title. The Tax Commission shall
4 promulgate rules which provide a procedure for the issuance of a
5 joint license for any wholesaler making application pursuant to this
6 section and Section 304 of this title. Application for such
7 license, which shall be made upon such forms as prescribed by the
8 Tax Commission, shall include the following:

9 1. The applicant's agreement to the jurisdiction of the Tax
10 Commission and the courts of this state for purposes of enforcement
11 of the provisions of Section 301 et seq. of this title; and

12 2. The applicant's agreement to abide by the provisions of
13 Section 301 et seq. of this title and the rules promulgated by the
14 Tax Commission with reference thereto. This license, which will be
15 for the ensuing year, must at all times be displayed in a
16 conspicuous place so that it can be seen. Persons operating more
17 than one place of business must secure a license for each place of
18 business. "Place of business" shall be construed to include the
19 place where orders are received, or where tobacco products are sold.
20 If tobacco products are sold on or from any vehicle, the vehicle
21 shall constitute a place of business, and the license fee of Two
22 Hundred Fifty Dollars (\$250.00) shall be paid with respect thereto.
23 However, if the vehicle is owned or operated by a place of business
24 for which the regular license fee is paid, the annual fee for the

1 license with respect to such vehicle shall be only Ten Dollars
2 (\$10.00). The expiration for such vehicle license shall expire on
3 the same date as the current license of the place of business.

4 B. Every retailer in this state, as a condition of carrying on
5 such business, shall secure from the Tax Commission a license and
6 shall pay therefor a fee of Thirty Dollars (\$30.00). Application
7 for such license, which shall be made upon such forms as prescribed
8 by the Tax Commission, shall include the following:

9 1. The applicant's agreement to the jurisdiction of the Tax
10 Commission and the courts of this state for purposes of enforcement
11 of the provisions of Section 301 et seq. of this title; ~~and~~

12 2. The applicant's agreement to abide by the provisions of
13 Section 301 et seq. of this title and the rules promulgated by the
14 Tax Commission with reference thereto;

15 3. The applicant's agreement that it shall not purchase any
16 tobacco products for resale from a supplier that does not hold a
17 current wholesaler's license issued pursuant to this section; and

18 4. The applicant's agreement to sell tobacco products only to
19 consumers.

20 Such license, which will be for the ensuing three (3) years,
21 must at all times be displayed in a conspicuous place so that it can
22 be seen. Upon expiration of such license, the retailer to whom such
23 license was issued may obtain a renewal license which shall be valid
24 for three (3) years or until expiration of the retailer's sales tax

1 permit, whichever is earlier, after which a renewal license shall be
2 valid for three (3) years. The manner and prorated fee for renewals
3 shall be prescribed by the Tax Commission. Every person operating
4 under such license as a retailer and who owns or operates more than
5 one place of business must secure a license for each place of
6 business. "Place of business" shall be construed to include places
7 where orders are received or where tobacco products are sold.

8 C. Nothing in this section shall be construed to prohibit any
9 person holding a retail license from also holding a wholesaler
10 license.

11 ~~D. Every distributing agent shall, as a condition of carrying~~
12 ~~on such business, pursuant to written application on a form~~
13 ~~prescribed by and in such detailed form as the Tax Commission may~~
14 ~~require, annually secure from the Tax Commission a license, and~~
15 ~~shall pay therefor an annual fee of One Hundred Dollars (\$100.00).~~
16 ~~An application shall be filed and a license obtained for each place~~
17 ~~of business owned or operated by a distributing agent. The license,~~
18 ~~which will be for the ensuing year, shall be consecutively numbered,~~
19 ~~nonassignable and nontransferable, and shall authorize the storing~~
20 ~~and distribution of unstamped tobacco products within this state~~
21 ~~when such distribution is made upon interstate orders only.~~

22 ~~E. 1. All wholesale, or retail, and distributing agents'~~
23 licenses shall be nonassignable and nontransferable from one person
24 to another person. Such licenses may be transferred from one

1 location to another location after an application has been filed
2 with the Tax Commission requesting such transfer and after the
3 approval of the Tax Commission.

4 2. Wholesale, and retail, ~~and distributing agent's~~ licenses
5 shall be applied for on a form prescribed by the Tax Commission.

6 Any person operating as a wholesaler, or retailer, ~~or distributing~~
7 ~~agent~~ must at all times have an effective unexpired license which
8 has been issued by the Tax Commission. If any such person or
9 licensee continues to operate as such on a license issued by the Tax
10 Commission which has expired, or operates without ever having
11 obtained from the Tax Commission such license, such person or
12 licensee shall, after becoming delinquent for a period in excess of
13 fifteen (15) days, pay to the Tax Commission, in addition to the
14 annual license fee, a penalty of ~~twenty-five cents (\$0.25)~~ Ten
15 Dollars (\$10.00) per day on each delinquent license for each day so
16 operated in excess of fifteen (15) days. The penalty provided for
17 herein shall not exceed the annual license fee for such license.

18 ~~F.~~ E. No license may be granted, maintained or renewed if any
19 of the following conditions apply to the applicant. For purposes of
20 this section, "applicant" includes any combination of persons owning
21 directly or indirectly, in the aggregate, more than ten percent
22 (10%) of the ownership interests in the applicant:

23 1. The applicant owes Five Hundred Dollars (\$500.00) or more in
24 delinquent tobacco products taxes;

1 2. The applicant had a ~~dealer~~, wholesaler, or retailer license
2 revoked by the Tax Commission within the past two (2) years; or

3 3. The applicant has been convicted of a crime relating to
4 stolen or counterfeit tobacco products, or receiving stolen or
5 counterfeit tobacco products.

6 ~~G.~~ F. No person or entity licensed pursuant to the provisions
7 of this section shall purchase tobacco products from or sell tobacco
8 products to a person or entity required to obtain a license unless
9 such person or entity has obtained such license.

10 ~~H.~~ G. In addition to any civil or criminal penalty provided by
11 law, upon a finding that a licensee has violated any provision of
12 Section 301 et seq. of this title, the Tax Commission may revoke or
13 suspend the license or licenses of the licensee pursuant to the
14 procedures applicable to revocation of a license set forth in
15 Section 418 of this title.

16 SECTION 18. AMENDATORY 68 O.S. 2011, Section 417, as
17 amended by Section 6, Chapter 66, O.S.L. 2018 (68 O.S. Supp. 2020,
18 Section 417), is amended to read as follows:

19 Section 417. A. All ~~unstamped~~ tobacco products upon which a
20 tax is levied by Section ~~401~~ 400 et seq. of this title and all
21 tobacco products ~~stamped~~, sold, offered for sale, or imported into
22 this state in violation of the provisions of Section 403.2 of this
23 title, found in the possession, custody or control of any person for
24 the purpose of being consumed, sold or transported from one place to

1 another in this state, for the purpose of evading or violating the
2 provisions of Section ~~401~~ 400 et seq. of this title, or with intent
3 to avoid payment of the tax imposed thereunder, and any vehicle
4 being used in avoidance of such tax may be seized by any authorized
5 agent of the Oklahoma Tax Commission or any sheriff, deputy sheriff
6 or police within the state. Tobacco products from the time of
7 seizure shall be forfeited to the State of Oklahoma. A proper
8 proceeding shall be filed to maintain such seizure and prosecute the
9 forfeiture as herein provided; the provisions of this section shall
10 not apply, however, where the tax on such ~~unstamped~~ tobacco products
11 does not exceed One Dollar (\$1.00).

12 B. All such tobacco products so seized shall first be listed
13 and appraised by the officer making such seizure and turned over to
14 the Tax Commission and a receipt taken therefor.

15 C. The person making such seizure shall immediately make and
16 file a written report thereof to the Tax Commission, showing the
17 name of the person making such seizure, the place where seized, the
18 person from whom seized, the property seized and an inventory and
19 appraisement thereof, which inventory shall be based on the usual
20 and ordinary retail price or value of the articles seized, and the
21 Attorney General, in the case of tobacco products ~~stamped~~, sold,
22 offered for sale, or imported into this state in violation of the
23 provisions of Section 403.2 of this title. Within sixty (60) days
24 of seizure, the person from whom the property was seized may file a

1 request for hearing with the Tax Commission or the Attorney General
2 to show why the seized property should not be forfeited and
3 destroyed. If a hearing is requested, the owner of the tobacco
4 products shall be given at least ten (10) days' notice of the
5 hearing. If no request for hearing is filed within the time
6 provided, the property seized will be forfeited and destroyed.

7 D. The seizure of such tobacco products shall not relieve the
8 person from whom such tobacco products were seized from prosecution
9 or the payment of penalties.

10 E. The forfeiture provisions of Section ~~401~~ 400 et seq. of this
11 title shall only apply to persons having possession of or
12 transporting tobacco products with intent to barter, sell or give
13 away the same.

14 SECTION 19. AMENDATORY 68 O.S. 2011, Section 418, as
15 amended by Section 2, Chapter 334, O.S.L. 2013 (68 O.S. Supp. 2020,
16 Section 418), is amended to read as follows:

17 Section 418. A. It shall be unlawful for any person to
18 transport or possess ~~unstamped~~ tobacco products where the tax on
19 such ~~unstamped~~ tobacco products has not been paid and exceeds the
20 sum of One Dollar (\$1.00).

21 B. Except as otherwise provided in subsections C and D of this
22 section, any person found guilty of violating the provisions of
23 Section ~~401~~ 400 et seq. of this title shall be punished by an
24 administrative fine of not more than ~~Five Hundred Dollars (\$500.00)~~

1 One Thousand Dollars (\$1,000.00) for a first offense or not more
2 than Four Thousand Dollars (\$4,000.00) for a second or subsequent
3 offense. Provided, any person in possession of more than one
4 thousand small or large cigars or two hundred sixteen (216) ounces
5 of chewing or smoking tobacco products in packages or containers for
6 which the tax required by law has not been paid shall be punished by
7 administrative fines in the manner and amounts provided in
8 subsection D of this section.

9 C. Any retailer violating the provisions of Section 403.2 of
10 this title shall:

11 1. For a first offense, be punished by an administrative fine
12 of not more than ~~One Thousand Dollars (\$1,000.00)~~ Two Thousand
13 Dollars (\$2,000.00);

14 2. For a second offense, be punished by an administrative fine
15 of not more than ~~Five Thousand Dollars (\$5,000.00)~~ Ten Thousand
16 Dollars (\$10,000.00); and

17 3. For a third or subsequent offense, be punished by an
18 administrative fine of not more than ~~Ten Thousand Dollars~~
19 ~~(\$10,000.00)~~ Twenty Thousand Dollars (\$20,000.00).

20 D. Any wholesaler, ~~distributing agent or dealer~~ violating the
21 provisions of Section 403.2 of this title shall:

22 1. For a first offense, be punished by an administrative fine
23 of not more than ~~Five Thousand Dollars (\$5,000.00)~~ Ten Thousand
24 Dollars (\$10,000.00); and

1 2. For a second or subsequent offense, be punished by an
2 administrative fine of not more than Twenty Thousand Dollars
3 (\$20,000.00).

4 Administrative fines collected pursuant to the provisions of
5 this subsection shall be deposited to the revolving fund created in
6 Section 305.2 of this title.

7 E. The Oklahoma Tax Commission shall immediately revoke the
8 license of a person punished for a violation pursuant to the
9 provisions of paragraph 3 of subsection C of this section or a
10 person punished for a violation pursuant to the provisions of
11 subsection D of this section. A person whose license is so revoked
12 shall not be eligible to receive another license pursuant to the
13 provisions of Section 301 et seq. of this title for a period of ten
14 (10) years.

15 SECTION 20. AMENDATORY 68 O.S. 2011, Section 420.1, is
16 amended to read as follows:

17 Section 420.1 A. Each ~~distributor~~ wholesaler of tobacco
18 products, as defined in Section ~~401~~ 400 of ~~Title 68 of the Oklahoma~~
19 ~~Statutes~~ this title, shall maintain copies of invoices or equivalent
20 documentation for each of its facilities for every transaction in
21 which the ~~distributor~~ wholesaler is the seller, purchaser,
22 consignor, consignee, or recipient of tobacco products. The
23 invoices or documentation shall contain the ~~distributor's~~
24 wholesaler's tobacco license number and the retailer's tobacco

1 license number if the sale is to a retailer and the quantity by
2 brand style of the tobacco products involved in the transaction.
3 Each wholesaler shall maintain the documents required by this
4 subsection for a period of three (3) years.

5 B. Each retailer of tobacco products, as defined in Section 401
6 400 of Title 68 of the Oklahoma Statutes this title, shall maintain
7 copies of invoices or equivalent documentation for every transaction
8 in which the retailer receives or purchases tobacco products at each
9 of its facilities. The invoices or documentation shall show the
10 name ~~and~~, address and tobacco license number of the ~~distributor~~
11 wholesaler from whom, or the address of another facility of the same
12 retailer from which, the tobacco products were received, the
13 quantity of each brand style received in such transaction, the date
14 the tobacco products were received and the retail cigarette license
15 number or sales tax license number. Each retailer shall maintain
16 the documents required by this subsection for a period of one (1)
17 year.

18 SECTION 21. AMENDATORY 68 O.S. 2011, Section 421, is
19 amended to read as follows:

20 Section 421. The sale of such tobacco products under ~~the two~~
21 ~~preceding sections~~ paragraph 1 of Section 419 and Section 420 of
22 this title shall be restricted to sales or distribution to inmates
23 of such veterans hospitals, or residents of such state operated
24 domiciliary homes for veterans, as shown by the records thereof, for

1 their own personal use and consumption. Possession of tobacco
2 products taxed under this article, which have been purchased or
3 received from any such veterans hospital or any such home by any
4 person other than an inmate or resident thereof, shall be deemed a
5 misdemeanor and punishable by a fine of ~~Two Hundred Dollars~~
6 ~~(\$200.00)~~ Five Hundred Dollars (\$500.00) for each offense.

7 SECTION 22. AMENDATORY 68 O.S. 2011, Section 422, is
8 amended to read as follows:

9 Section 422. All ~~manufacturers, wholesalers, jobbers, or~~
10 ~~retailers, or other person,~~ selling or distributing such tobacco
11 products under ~~the three preceding sections~~ the provisions of this
12 act shall comply with the provisions of such sections, and the rules
13 and regulations of the Oklahoma Tax Commission as to such sale or
14 distribution, and failure to so comply shall constitute grounds for
15 revocation of any license issued to ~~said manufacturer, the~~
16 ~~wholesaler, jobber, or~~ retailer or other person, by the Tax
17 Commission.

18 SECTION 23. AMENDATORY 68 O.S. 2011, Section 426, is
19 amended to read as follows:

20 Section 426. A. It shall be unlawful for any person knowingly
21 to ship, transport, receive, possess, sell, distribute or purchase
22 contraband tobacco products. Any person who engages in shipping,
23 transporting, receiving, possessing, selling, distributing or
24 purchasing contraband tobacco products shall, upon conviction, be

1 guilty of a misdemeanor punishable by a fine of not more than ~~One~~
2 ~~Thousand Dollars (\$1,000.00)~~ Two Thousand Dollars (\$2,000.00). Any
3 person convicted of a second or subsequent violation hereof shall be
4 guilty of a felony and shall be punishable by a fine of not more
5 than Five Thousand Dollars (\$5,000.00), by a term of imprisonment in
6 the ~~State Penitentiary~~ custody of the Department of Corrections for
7 not more than two (2) years, or by both such fine and imprisonment.

8 B. Any person who knowingly engages in shipping, transporting,
9 receiving, possessing, selling, distributing or purchasing
10 contraband tobacco products shall be subject to the forfeiture of
11 property as is provided by Section 417 of this title and assessment
12 of penalty as provided thereby and assessment for any delinquent
13 taxes found to be owing.

14 SECTION 24. REPEALER 68 O.S. 2011, Sections 406, 408,
15 409, and 411 are hereby repealed.

16 SECTION 25. This act shall become effective July 1, 2021.

17 SECTION 26. It being immediately necessary for the preservation
18 of the public peace, health or safety, an emergency is hereby
19 declared to exist, by reason whereof this act shall take effect and
20 be in full force from and after its passage and approval.

21
22 COMMITTEE REPORT BY: COMMITTEE ON ALCOHOL, TOBACCO AND CONTROLLED
23 SUBSTANCES, dated 02/16/2021 - DO PASS, As Amended and Coauthored.
24