

To Sifting Committee.
April 6, 1931.

Senate File No. 421.
By SIFTING COMMITTEE.

A BILL FOR

An Act relating to the sale of cigarettes, the licensing of dealers, the imposition and collection of a tax on the sale thereof; to amend sections fifteen hundred fifty-seven (1557), fifteen hundred sixty-one (1561), fifteen hundred sixty-three (1563), fifteen hundred seventy (1570), fifteen hundred seventy b-one (1570-b1), fifteen hundred seventy b-two (1570-b2), fifteen hundred seventy-one b-one (1571-b1), fifteen hundred seventy-two (1572), of the code of Iowa 1927; to provide for the imposition, levy, and collection of a tax on the sale of cigarettes, cigars, snuff and tobacco in all forms used for smoking or chewing; to provide for the licensing of dealers in such commodities and defining the duties and powers of the treasurer of state, and to provide penalties for violations of the provisions of chapter seventy-eight (78) of the code of Iowa 1927, and of this act.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. That section fifteen hundred fifty-seven
2 (1557), of the code of Iowa 1927, be and the same is hereby
3 amended by adding after the word "papers" in line two (2)
4 thereof, the following:

5 "cigars, snuff or tobacco in any form for smoking
6 or chewing".

1 Sec. 2. That section fifteen hundred sixty-one (1561),
2 of the code of Iowa 1927, be and the same is hereby amended
3 to read as follows:

4 "No permit for the sale of cigarettes or cigarette
5 papers shall be issued until the applicant therefor
6 shall file a bond to be approved by the council or
7 the board of supervisors granting the permit, which

8 bond shall run to the city, town or county, as the
9 case may be, for the benefit of all parties interested
10 and shall be in the amount of not less than one
11 thousand dollars, conditioned upon the faithful
12 observance of all of the provisions of chapter seventy-
13 eight (78), of the code of Iowa 1927, and of this act,
14 including the payment of all taxes, fines, penalties
15 and costs provided for in chapter seventy-eight (78),
16 of the code of Iowa 1927, and in this act, and for the
17 payment of all damages that may result from the sale
18 of cigarettes and cigarette papers in or upon the
19 premises occupied by the obligor.”

1 Sec. 3. That section fifteen hundred sixty-three (1563),
2 of the code of Iowa 1927, be and the same is hereby amended to
3 read as follows:

4 “No permit, either for the sale of cigarettes,
5 cigarette papers or for the sale of cigars, snuff,
6 or tobacco in any form for smoking or chewing,
7 shall be granted or issued until the applicant
8 shall have paid, for the period ending July first
9 next following the issuance of such permit, to
10 the treasurer of the city, town, or county granting
11 such a permit, a mulct tax as follows when the permit
12 is granted during the months of July, August, or
13 September:

14 “1. In towns and other places outside any city or

15 town for the sale of cigarettes or cigarette papers,
16 fifty dollars; for the sale of cigars, snuff or
17 tobacco in any form for smoking or chewing, five
18 dollars.

19 “2. In cities of the second class, for the
20 sale of cigarettes or cigarette papers, seventy-
21 five dollars; for the sale of cigars, snuff or
22 tobacco in any form for smoking or chewing, ten
23 dollars.

24 “3. In cities of the first class, for the sale
25 of cigarettes or cigarette papers, one hundred dollars;
26 for the sale of cigars, snuff, or tobacco in any form
27 for smoking or chewing, fifteen dollars.

28 “If the permit is granted during the months of
29 October, November, or December, the said tax shall
30 be three-fourths of the above maximum schedule; if
31 granted during January, February, or March, one-half
32 of said maximum schedule; if granted during April,
33 May, or June, one-fourth of said maximum schedule.

34 “All permits shall become null and void if the
35 holder thereof shall fail to pay a maximum mulct
36 tax on or before July first each year thereafter
37 for the year then beginning.”

1 Sec. 4. That section fifteen hundred seventy (1570) of
2 the code of Iowa 1927, as amended, be amended to read as
3 follows:

4 “There is hereby levied and assessed and shall be
5 collected and paid to the treasurer of state, prior
6 to or at the time of sale or gift and delivery to
7 the consumer, upon all cigarettes, cigarette papers,
8 wrappers, tubes, cigars, snuff or tobacco in any
9 form for smoking or chewing sold, the following
10 taxes:

11 “1. Class A. On cigarettes weighing not more than
12 three pounds per thousand, one and one half mills on
13 each such cigarette.

14 “2. Class B. On cigarettes weighing more than
15 three pounds per thousand, three mills on each such
16 cigarette.

17 “3. Class C. On cigarette papers or wrappers or
18 any papers made or prepared for the purpose of making
19 cigarettes, made up in packages, books or sets, on
20 each such package, book or set containing:

21 a. Fifty papers or less, three-quarters cent.

22 b. More than fifty papers and not more than one
23 hundred papers, one and one-half cent.

24 c. More than one hundred papers, three-quarters
25 of a cent for each fifty or fractional part
26 thereof.

27 “4. Class D. On tubes, one and one-half cent for
28 each fifty tubes or fractional part thereof.

29 “5. On all cigars, or substitutes therefor, in

30 any form for smoking, ten per cent of the retail price
31 of such cigars.

32 "6. On all tobacco and snuff in any form for
33 smoking and for chewing, ten per cent of the retail
34 price of such tobacco or snuff."

35 The term "consumer", as used in sections fifteen hundred
36 seventy (1570) and fifteen hundred seventy-one (1571) of the
37 code of Iowa 1927, as amended, and wherever used in this act,
38 shall include any person, firm, association, co-partnership,
39 or corporation which does not have a duly issued permit to sell
40 cigarettes, cigarette papers, wrappers, tubes, cigars, snuff
41 or tobacco in any form for smoking or chewing.

1 Sec. 5. That section fifteen hundred seventy b-one (1570-b1),
2 of the code of Iowa 1927, be and the same is hereby amended by
3 adding after the word "tubes" and before the word "purchase" in
4 line fourteen (14) thereof, a comma (,) and the following:

5 "cigars, snuff or tobacco in any form for
6 smoking or chewing".

1 Sec. 6. That section fifteen hundred seventy b-two (1570-b2),
2 of the code of Iowa 1927, be and the same is hereby amended by
3 adding after the word "tubes" and before the word "shall" in
4 line six (6) thereof, a comma (,) and the following:

5 "cigars, snuff or tobacco in any form for
6 smoking or chewing".

1 Sec. 7. If cigars are sold and delivered to the consumer in
2 the package, box or container in which same are received from the

3 jobber or manufacturer, each such package, box or container shall
4 have securely affixed thereto a suitable stamp denoting the tax
5 thereon.

6 If such cigars are not sold in the package, box or container
7 in which they are received from the jobber or manufacturer, before
8 any portion of any such package, box or container is sold, said
9 package, box or container shall have securely attached thereto a
10 suitable stamp denoting the tax thereon, and in each case
11 said stamp shall be properly cancelled prior to such sale
12 of any such package, box or container, or any portions
13 thereof, under such regulations as the state treasurer
14 may prescribe.

15 Before being delivered to the consumer each package, box
16 or container of tobacco or snuff shall have securely affixed
17 thereto a suitable stamp denoting the tax imposed thereon
18 if sold in the package, box or container in which the same
19 is received from the manufacturer or jobber. If sold in
20 lesser quantities, the package, box or container shall have
21 such stamp affixed before any portion thereof shall be sold,
22 and such stamp shall be affixed and cancelled under such
23 regulations as the state treasurer may prescribe.

1 Sec. 8. Before being delivered to the retail purchaser
2 or consumer, or exposed or kept for sale, either in or
3 outside of open cartons, box or other container holding
4 more than one unit of cigars, snuff or tobacco in any form
5 for smoking or chewing, there shall be securely affixed to

6 each package, box or container of each such commodities
7 tax stamps of the proper value, as required by the provisions
8 of this act. Said stamps shall be properly affixed and
9 cancelled prior to such display or removal for sale or
10 consumption, under such regulations as the state treasurer
11 may prescribe.

1 Sec. 9. That section fifteen hundred seventy-two (1572),
2 of the code of Iowa 1927, be and the same is hereby amended
3 by adding after the number "1571-b1" and before the word
4 "shall" in line three (3) thereof, the following:
5 "as amended by this act and any of the
6 provisions of this act";
7 and by adding after the comma (,) after the word "cigarettes"
8 in line nine (9) thereof, the following:
9 "cigars, snuff or tobacco in any form for
10 smoking or chewing".