

Senate File 1294
Commerce
Briles, Chairperson
Rodgers
Junkins

FILED APR 7 1916

SENATE FILE 1294

By GRIFFIN

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the sale of cigarettes at retail.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section five hundred fifty-one A point two
2 (551A.2), Code 1975, is amended by striking subsection ten
3 (10).

4 Sec. 2. Section five hundred fifty-one A point three
5 (551A.3), Code 1975, is amended to read as follows:

6 551A.3 SALES AT LESS THAN COST-PENALTY.

7 1. It shall be unlawful for any wholesaler ~~or-retailer~~
8 to offer to sell, or sell, at wholesale ~~or-retail~~, cigarettes
9 at less than cost to such wholesaler ~~or-retailer~~,--as-the-case
10 may-be, as defined in this chapter. Any wholesaler ~~or-retailer~~
11 who violates the provisions of this section shall be guilty
12 of a misdemeanor and be punishable by fine of not less than
13 one hundred dollars, nor more than five hundred dollars.

14 2. Evidence of advertisement, offering to sell, or sale
15 of cigarettes by any wholesaler ~~or-retailer~~ at less than cost
16 to ~~him~~ such wholesaler as defined by this chapter shall be
17 evidence of a violation of this chapter.

18 Sec. 3. Section five hundred fifty-one A point four
19 (551A.4), Code 1975, is amended to read as follows:

20 551A.4 COMBINATION SALES. In all offers for sale or sales
21 involving cigarettes and any other item at a combined price,
22 and in all offers for sale, or sales, involving the giving
23 of any gift or concession of any kind whatsoever (whether
24 it be coupons or otherwise), the wholesaler's ~~or-retailer's~~
25 combined selling price shall not be below the cost to the
26 wholesaler ~~or-the-cost-to-the-retailer~~,--respectively, of the
27 total of all articles, products, commodities, gifts and
28 concessions included in such transactions; if any such
29 articles, products, commodities, gifts or concessions, shall
30 not be cigarettes, the basic cost thereof shall be determined
31 in like manner as provided in section 551A.2, subsection 8.

32 EXPLANATION

33 This bill allows retailers to sell cigarettes at retail
34 at less than cost. It also allows retailers to sell cigarettes
35 at a combined selling price below cost.