

453A.44 Licenses — distributors, subjobbers.

1. No person shall engage in the business of a distributor or subjobber of tobacco products at any place of business without first having received a license from the director to engage in that business at that place of business.

2. Every application for such a license shall be made on a form prescribed by the director and shall state the name and address of the applicant; if the applicant is a firm, partnership, or association, the name and address of each of its members; if the applicant is a corporation, the name and address of each of its officers; the address of its principal place of business; the place where the business to be licensed is to be conducted; and such other information as the director may require for the purpose of the administration of [this division](#).

3. A person without this state who ships or transports tobacco products to retailers in this state, to be sold by those retailers, may make application for a license as a distributor, be granted a license by the director, and thereafter be subject to all the provisions of [this division](#) and entitled to act as a licensed distributor.

4. *a.* Each application for a distributor's license shall be accompanied by a fee of one hundred dollars, except that an applicant holding a permit pursuant to [division I of this chapter](#) shall not be required to pay an additional fee. The application shall be accompanied by a corporate surety bond issued by a surety licensed to do business in this state, in the sum of one thousand dollars, conditioned upon the true and faithful compliance by the distributor with all the provisions of [this division](#) and the payment when due of all taxes, penalties and accrued interest arising in the ordinary course of business or by reason of any delinquent money which may be due the state of Iowa. This bond shall be in a form to be fixed by the director and approved by the attorney general. Whenever it is the opinion of the director that the bond given by a licensee is inadequate in amount to fully protect the state, the director shall require either an increase in the amount of said bond or additional bond, in such amount as the director deems sufficient. Any bond required by [this division](#), or a reissue thereof, or a substitute therefor, shall be kept in full force and effect during the entire period covered by the license.

b. A separate application for license shall be made for each place of business where a distributor proposes to engage in business as such under [this division](#).

5. Each application for a subjobber's license shall be accompanied by a fee of ten dollars, except that no applicant holding a permit pursuant to [division I of this chapter](#) shall be required to pay an additional fee.

6. A distributor or subjobber applying for a license between January 1 and June 30 of any year shall be required to pay only one-half of the license fee provided for herein.

7. The director, upon receipt of the application (and bond, in the case of the distributor) in proper form, and payment of the license fee required by [subsection 4](#) or [subsection 5](#), shall unless otherwise provided by [this division](#), issue the applicant a license in form as prescribed by the director, which license shall permit the applicant to whom it is issued to engage in business as a distributor or subjobber at the place of business shown in the application. The director shall assign a permit number to each person licensed as a distributor at the time of issuance of the person's first license, which shall be inscribed upon all licenses issued to that distributor.

8. Each license shall expire on June 30 following its date of issue unless sooner revoked by the director or unless the business with respect to which the license was issued is transferred. In either case the holder of the license shall immediately surrender it to the director.

9. No license shall be transferable to any other person.

10. The director may revoke, cancel, or suspend the license or licenses of any distributor or subjobber for violation of any of the provisions of [this division](#), or any other act applicable to the sale of tobacco products, or any rule or regulations promulgated by the director in furtherance of [this division](#). No license shall be revoked, canceled, or suspended except after notice and a hearing by the director as provided in [section 453A.48](#).

11. No license shall be issued under [this division](#) to any person within one year of the date of final determination of a revocation of any previous license held by the person.

12. When the surety upon any bond issued pursuant to the provisions of [this division](#) shall have fulfilled the conditions of such bond and compensated the state for any loss

occasioned by any act or omission of the person bonded under [this division](#), such surety shall be subrogated to all the rights of the state in connection with the transaction wherein such loss occurred.

[C71, 73, 75, 77, 79, 81, §98.44]

[89 Acts, ch 251, §3](#); [90 Acts, ch 1232, §1](#)

C93, §453A.44

[94 Acts, ch 1165, §39](#); [2011 Acts, ch 25, §143](#)

Referred to in [§421.26](#), [§453A.40](#), [§453A.45](#), [§453A.50](#)