

**2001 DRAFTING REQUEST**

**Assembly Amendment (AA-ASA1-SB55)**

Received: 06/26/2001

Received By: jkreye

Wanted: Soon

Identical to LRB:

For: Assembly Republican Caucus

By/Representing: Hughes

This file may be shown to any legislator: NO

Drafter: jkreye

May Contact:

Addl. Drafters:

Subject: Tax - cigarettes and t.p.

Extra Copies:

Submit via email: NO

Requester's email:

**Pre Topic:**

ARC:.....Hughes - AM124,

**Topic:**

161: Wholesaler discount on cigarette tax stamps

**Instructions:**

See Attached

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	jkreye 06/26/2001	jdyer 06/26/2001	kfollet 06/26/2001	_____	lrb_docadmin 06/26/2001		
	jkreye 06/28/2001	jdyer 06/28/2001		_____			
/2			pgreensl 06/28/2001	_____	lrb_docadmin 06/28/2001		

Vers.    Drafted    Reviewed    Typed    Proofed    Submitted    Jacketed    Required

FE Sent For:

**<END>**

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/1	jkreye 06/26/2001	jdye 06/26/2001	kfollet 06/26/2001		lrb_docadmin 06/26/2001		

FE Sent For:

12 6/28 jld  
 [Handwritten initials and signatures over the table, including 'jkreye', 'jdye', 'kfollet', and 'lrb\_docadmin']  
 <END> / Ben T

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1?	jkreye	1 6/26 jld	181 6/26	6/26	6/26		

FE Sent For:

<END>

# Budget Amendments 2001 - 2003

Prepared by the Assembly Republican Caucus

1772

JK

**Statement of Intent**      Wholesaler Discount on Cigarette Tax Stamps

<b>Legislator</b>	Wade	<b>Amendment</b>	124
<b>Legislator 2</b>		<b>Pass or Fail</b>	Pass
<b>Legislator 3</b>		<b>Spending Cut</b>	
<b>Legislator 4</b>		<b>Withdrawn</b>	
<b>Staff contact</b>	Rep. Wade	<b>Package</b>	

**Agency**      Revenue

**Summary**      Amend s.139.315(5) to reflect prior discount to wholesalers to cover cost of affixing cigarette tax stamps, as follows:

If the State imposes a cigarette tax that the manufacturers and distributors having a permit from the secretary shall receive a discount of 2.0%

**Fiscal Impact**      Indeterminate. There is no fiscal impact if cigarette taxes are not raised this biennium. If the Senate cigarette tax is enacted into law than this motion would cost up to \$1.9 million.

**Drafting Inst**

**ARC Analyst**      Hughes

**Request #**      **161**

Tuesday, June 26, 2001



State of Wisconsin  
2001 - 2002 LEGISLATURE

LRBb1772/1

JK:.....

*JLD RMK*

ARC:.....Hughes – AM124, 161: Wholesaler discount on cigarette tax stamps

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

**CAUCUS ASSEMBLY AMENDMENT**

**TO ASSEMBLY SUBSTITUTE AMENDMENT 1,**

**TO 2001 SENATE BILL 55**

*6-26-01*

*substitute amendment*

1

At the locations indicated, amend the ~~MIN~~ as follows:

2

1. Page 943, line 24: after that line insert:

3

“SECTION 2845<sup>✓</sup>. 139.315 (1)<sup>x</sup> of the statutes is amended to read:

4

139.315 (1) INVENTORY TAX IMPOSED. On the effective date of any increase in the

5

sum of the rates under s. 139.31 (1) (a) and (c) or in the sum of the rates under s.

6

139.31 (1) (b) and (d), an inventory tax is imposed upon cigarettes held in inventory

7

for sale or resale on which the cigarette tax has been paid at the prior rate and upon

8

unaffixed stamps in the possession of distributors. Any person who is in possession

9

of any such cigarettes or unaffixed stamps shall pay the tax imposed under this

10

section. Any person liable for this tax shall determine the number of cigarettes and

1 unaffixed stamps in the person's possession on the effective date of the increase, and  
 2 by the 15th day after the effective date of the increase the person shall file a return  
 3 and shall by that date pay the tax due, except that the person shall retain 2% of the  
 4 tax due for administrative expenses, if the tax payment is not delinquent."

History: 1981 c. 317; 1985 a. 29; 1987 a. 312 s. 17; 1991 a. 39; 1995 a. 233; 1997 a. 27, 237.

5 **2.** Page 1404, line 2: after that line insert:

6 (6d) CIGARETTE INVENTORY TAX. The treatment of <sup>section</sup> 139.315 (1) of the statutes  
 7 first applies to a cigarette tax rate increase on the effective date of this subsection."

8 (END)

6-28-01

R.J.

interest discounts

1.6% now

if an increase  $\longrightarrow$  2%

1772





*RM not R*

ARC:.....Hughes – AM124, 161: Wholesaler discount on cigarette tax stamps

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

**CAUCUS ASSEMBLY AMENDMENT**

**TO ASSEMBLY SUBSTITUTE AMENDMENT 1,**

**TO 2001 SENATE BILL 55**

*in 6-28-01*

*INSERT A*

1 At the locations indicated, amend the substitute amendment as follows:

2 **1.** Page 943, line 24: after that line insert:

3 ~~SECTION 2845p. 139.315 (1) of the statutes is amended to read:~~

4 ~~139.315 (1) INVENTORY TAX IMPOSED. On the effective date of any increase in the~~  
5 ~~sum of the rates under s. 139.31 (1) (a) and (c) or in the sum of the rates under s.~~  
6 ~~139.31 (1) (b) and (d), an inventory tax is imposed upon cigarettes held in inventory~~  
7 ~~for sale or resale on which the cigarette tax has been paid at the prior rate and upon~~  
8 ~~unaffixed stamps in the possession of distributors. Any person who is in possession~~  
9 ~~of any such cigarettes or unaffixed stamps shall pay the tax imposed under this~~  
10 ~~section. Any person liable for this tax shall determine the number of cigarettes and~~

1 unaffixed stamps in the person's possession on the effective date of the increase, and  
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4 tax due for administrative expenses, if the tax payment is not delinquent.

5 **2.** Page 1404, line 2: after that line insert:

6 “(6d) CIGARETTE INVENTORY TAX. The treatment of section 139.315 (1) of the  
7 statutes first applies to a cigarette tax rate increase on the effective date of this  
8 subsection.”

9 (END)

(INSERT) A

2845P ✓  
x

Section # 139.32 (5) of the statutes is amended to read:

139.32 (5) Manufacturers and distributors having a permit from the secretary shall receive a discount of 1.6% of the tax.

History: 1971 c. 125; 1977 c. 29; 1983 a. 27; 1985 a. 29; 1987 a. 399; 1989 a. 31; 1993 a. 16, 482; 1997 a. 27.

score  
except that, for a tax rate greater than 29.5 mills under s. 139.31(1)(a) or greater than 59 mills under s. 139.31(1)(b), manufacturers and distributors having a permit from the secretary shall receive a discount of 2% of the tax.

(end ins A)



ARC:.....Hughes – AM124, 161: Wholesaler discount on cigarette tax stamps

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

CAUCUS ASSEMBLY AMENDMENT

TO ASSEMBLY SUBSTITUTE AMENDMENT 1,

TO 2001 SENATE BILL 55

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3 “SECTION 2845p. 139.32 (5) of the statutes is amended to read:

4 139.32 (5) Manufacturers and distributors having a permit from the secretary  
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6 mills under s. 139.31 (1) (a) or greater than 59 mills under s. 139.31 (1) (b),  
7 manufacturers and distributors having a permit from the secretary shall receive a  
8 discount of 2% of the tax.”.

9 (END)