



**State of Arkansas
Department of Finance and Administration
Fiscal Impact Statement**

Bill: SB495

Bill Subtitle: TO AMEND DEFINITIONS USED UNDER THE ARKANSAS TOBACCO PRODUCTS TAX ACT OF 1977; AND TO AMEND THE DEFINITION OF "INVOICE" AND THE DEFINITION OF "INVOICE PRICE" USED UNDER THE ARKANSAS TOBACCO PRODUCTS TAX ACT OF 1977.

Sponsors:

Sen. Bryant and Rep. Eaton

Basic Change:

SB495 amends the definition of "invoice" in the Arkansas Tobacco Products Tax Act to require that sellers and purchasers of products regulated under the Act provide their permitted addresses and permit numbers on their invoices.

SB495 allows Arkansas Tobacco Control of the Department of Finance and Administration (ATC) to seek pricing information from similarly situated wholesalers or retailers as an alternative method to calculate unpaid tax on products in instances where an invoice price is not available, such as confiscated untaxed tobacco products. Currently, when an invoice price is not available, tax can only be calculated by using the highest price at which the manufacturer of the tobacco products, vapor products, alternative nicotine products, or e-liquid product sells the products.

Fiscal Impact:

None.

Taxpayer Impact:

An invoice for the sale of tobacco products, vapor products, alternative nicotine products, or e-liquid products shall contain the physical address and permit number of the wholesaler and retailer. In the absence of proof of the price paid for tobacco products, vapor products, alternative nicotine products, or e-liquid products, ATC will be authorized to seek pricing information from similarly situated wholesalers and retailers as an alternative method to calculate unpaid tax.

Resources Required:

None.

Time Required:

None.

Procedural Changes:

ATC will notify permit holders regarding the change in procedures.

Other Comments:

None.



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Legal Analysis:

None.