

**First Regular Session
Seventy-first General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 17-0905.01 Ed DeCecco x4216

SENATE BILL 17-273

SENATE SPONSORSHIP

Hill and Williams A.,

HOUSE SPONSORSHIP

(None),

Senate Committees

Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE MANUFACTURER'S LIST PRICE OF TOBACCO**

102 **PRODUCTS FOR PURPOSES OF THE STATE EXCISE TAX.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The total tax on tobacco products is 40% of the manufacturer's list price, which is based on a manufacturer's or supplier's invoice price to a distributor. The bill permits a distributor to use the price that the tobacco product is sold to the first importer of record or first manufacturer of record as the manufacturer's list price, if the distributor is able to provide the department of revenue with evidence of this price.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-28.5-101, **amend**
3 the introductory portion and (3) as follows:

4 **39-28.5-101. Definitions.** As used in this ~~article~~ ARTICLE 28.5,
5 unless the context otherwise requires:

6 (3) "Manufacturer's list price" means the invoice price for which
7 a manufacturer or supplier sells a tobacco product to a distributor
8 exclusive of any discount or other reduction. IF A DISTRIBUTOR IS ABLE TO
9 PROVIDE THE DEPARTMENT OF REVENUE WITH EVIDENCE OF THE PRICE
10 THAT THE TOBACCO PRODUCT IS SOLD TO THE FIRST IMPORTER OF RECORD
11 OR FIRST MANUFACTURER OF RECORD, THEN THE DISTRIBUTOR MAY USE
12 THIS PRICE AS THE MANUFACTURER'S LIST PRICE.

13 **SECTION 2. Act subject to petition - effective date.** This act
14 takes effect at 12:01 a.m. on the day following the expiration of the
15 ninety-day period after final adjournment of the general assembly (August
16 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
17 referendum petition is filed pursuant to section 1 (3) of article V of the
18 state constitution against this act or an item, section, or part of this act
19 within such period, then the act, item, section, or part will not take effect
20 unless approved by the people at the general election to be held in
21 November 2018 and, in such case, will take effect on the date of the
22 official declaration of the vote thereon by the governor.