February 4, 2002

Mr. President:

Your **CORPORATIONS & TRANSPORTATION COMMITTEE**, to whom has been referred

SENATE BILL 37

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

- 1. On page 1, line 11, after the semicolon strike the remainder of the line and strike all of line 12 and insert in lieu thereof "CHANGING THE REQUIREMENTS FOR AFFIXING STAMPS TO PACKAGES AND CONTAINERS OF CIGARETTES.".
- 2. On page 1, strike lines 15 through 25 and on page 2, strike lines 1 through 15 and insert in lieu thereof the following new sections:
- "Section 1. Section 7-12-5 NMSA 1978 (being Laws 1971, Chapter 77, Section 5, as amended) is amended to read:
 - "7-12-5. AFFIXING STAMPS.--
- A. All cigarettes, the sale, gift or consumption of which is subject to the cigarette tax, shall be placed in packages or containers to which a stamp may be affixed.

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- B. Packages or containers to which a stamp is required to be affixed and which contain cigarettes that are not in multiples of five cigarettes shall have affixed a stamp of the next higher multiple of five cigarettes.
- C. Unless the requirements of this section are waived pursuant to Section 7-12-6 NMSA 1978, a stamp shall be affixed to each package or container of cigarettes, the sale, gift or consumption of which is subject to the cigarette tax. The stamp shall be affixed by the state of New Mexico or its agent and the cigarettes then delivered to any person who sells in New Mexico cigarettes manufactured by that person or who receives on consignment or buys [unstamped] cigarettes for sale, gift or consumption in New Mexico.
- D. Stamps shall be affixed inside the boundaries of New Mexico, unless the department has granted a license allowing a person to affix stamps outside New Mexico."
- Section 2. REPEAL.--Section 7-12-7 NMSA 1978 (being Laws 1971, Chapter 77, Section 7, as amended) is repealed.".
 - 3. Renumber the following section accordingly.

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		Respectfully su	Respectfully submitted,	
		Roman M Maes,	III, Chairman	
Adopted	(Chief Clerk)	Not Adopted	(Chief Clerk)	
	Date _		_	
Yes: No:	5 0 Aragon, Cisnero	5 For <u>0</u> Against s, Leavell, Robinson		

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