

CHAPTER 16C
TOBACCO AND CIGARETTE TAX ACT

16C-1 TITLE

This Chapter shall be known as the Tobacco and Cigarette Excise Tax Act.

16C-2 DEFINITIONS

16C-2.01 For purposes of this Chapter, unless otherwise required by the context, the following words and phrases shall have the following meanings:

(1) (a) "Tobacco Products" shall mean cigarettes, cigars, pipe, or other smoking tobacco, snuff, chewing tobacco, and other forms of tobacco prepared in such manner as to be suitable for chewing or smoking.

(b) "Non-Tobacco Nicotine Products" shall mean any product that contains nicotine that is not sourced nor manufactured from tobacco. These products include synthetic nicotine, and include vaping products.

(2) "Cigarettes" shall mean any roll for smoking made wholly or in part of tobacco, irrespective of size or shape and irrespective of the tobacco being flavored, mixed with any other ingredient, or otherwise adulterated, where such roll has a wrapper or cover made of paper or any material, except where such wrapper or cover is wholly or in the greater part made of natural leaf tobacco in its natural state.

(3) "Tobacco Outlet" or "Operator" shall mean the retailer licensed by the Council to sell tobacco products on trust lands or such other entity as the Council may designate.

(4) "Distributor" shall mean those businesses, entities, or individuals that deliver cigarettes or tobacco products to Tobacco Outlets or Operators.

(5) "Tribal License" or "Tobacco License" or "Tobacco Outlet License" shall mean the license issued to the operator pursuant to this chapter by the Council.

(6) "Retail Selling Price" shall mean that price paid by the ultimate consumer to the operator for the tobacco product.

(7) "Excise Tax" shall mean the tax levied by the Council on each sales unit (e.g. pack, carton, etc.) which is to be collected by the Distributor and remitted to the Tribe.

(8) "Cigarette Package" shall mean the individual package, box, or other container in or from which retail sales of cigarettes are normally made or intended to be made.

16C-3 TAX IMPOSED; RATE OF TAX

16C-3.01 There is levied and there shall be collected and remitted by the Distributor to the authorized representative of the Council, a tax upon the distribution of all cigarettes or other tobacco products sold or otherwise distributed.

16C-3.02 The rate of tax imposed under this Chapter shall be approximately equal the rate prevailing under Idaho Code or as determined by Council.

16C-4 COLLECTION AND REMITTANCE OF TAX

16C-4.01 Tobacco Outlets and Operators shall collect the tax imposed under this Chapter and the amount of tax shall be added to the price of cigarettes or tobacco products and clearly identified.

16C-4.02 Distributors shall remit to the Finance Department on the first working day of each month the tax imposed under this Chapter on all cigarettes and tobacco products delivered to a Tobacco Outlet or Operator from that Distributor during the immediately preceding month, along with a report containing the following information:

- (1) Name of Tobacco Outlet or Operator,
- (2) Date on which the tobacco products or cigarettes were delivered,
- (3) Quantity of tobacco products or cigarettes, and

(4) Any credits that may be allowed pursuant to Tribal Council approval.

16C-5 PERFORMANCE BOND FOR EXCISE TAX

16C-5.01 The Distributor shall, if required by the Council or its authorized representative, furnish a satisfactory bond to the Tribe in the amount of \$10,000 or less, but sufficient to guarantee payment of the excise tax.

16C-6 CONSENT TO JURISDICTION

16C-6.01 Delivery of tobacco products or cigarettes by a Distributor to a Tobacco Outlet or Operator shall be deemed consent to civil and regulatory jurisdiction of the Tribe and the Kootenai Tribal Court.