

SENATE BILL REPORT

SB 6345

As Reported By Senate Committee On:
Commerce & Trade, January 29, 2004

Title: An act relating to inspection of books, documents, and records pertaining to the transportation or possession of cigarettes.

Brief Description: Authorizing inspection of records regarding transportation of cigarettes.

Sponsors: Senators Hewitt, Keiser, Honeyford, Winsley and Oke; by request of Liquor Control Board.

Brief History:

Committee Activity: Commerce & Trade: 1/29/04 [DPS].

SENATE COMMITTEE ON COMMERCE & TRADE

Majority Report: That Substitute Senate Bill No. 6345 be substituted therefor, and the substitute bill do pass.

Signed by Senators Honeyford, Chair; Hewitt, Vice Chair; Franklin, Keiser and Mulliken.

Staff: Jennifer Strus (786-7316)

Background: The Liquor Control Board's (LCB) tobacco tax enforcement agents must obtain a subpoena before being able to inspect the books and records of any person or common carrier during an investigation into the transportation of contraband cigarettes. To obtain the subpoena, the LCB's agents spend a great deal of time conducting surveillances to collect the information needed to obtain the subpoena.

Summary of Substitute Bill: To obtain information regarding the administration or enforcement of taxes on cigarettes, the LCB or its agents, may inspect the books, documents or records of any person transporting cigarettes to any person or entity in Washington. The LCB may also inspect the books, documents or records in the possession of a common or contract carrier doing business in Washington that contains any information relating to the transportation or possession of cigarettes.

It is a gross misdemeanor for a person or common carrier to fail to produce or allow the LCB to inspect books, documents or records. The LCB may seize the cigarettes being transported if a person or common carrier fails to produce or allow inspection of the books, documents or records relating to the transportation of cigarettes.

Substitute Bill Compared to Original Bill: The original bill was not considered.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This legislation is needed to expedite the work of the tobacco tax agents.

Testimony Against: None.

Testified: PRO: Carter Mitchell, Liquor Control Board; Rick Garza, Liquor Control Board; Julie Sexton, Department of Revenue.