

The tax imposed by this subdivision shall not apply if the tax imposed by subdivision 1 on such tobacco products has been paid.

This tax shall not apply to the use or storage of tobacco products in quantities of:

1. ~~Less~~ Not more than 25 50 cigars;
2. ~~Less~~ Not more than 10 oz. snuff or snuff powder;
3. ~~Less~~ Not more than 1 lb. smoking or chewing tobacco or other tobacco products not specifically mentioned herein, in the possession of any one consumer.

Approved May 10, 1971.

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#### CHAPTER 238—H.F.No.1068

*An act relating to cigarette and tobacco products taxes; providing for minimum penalty for failure to pay tax within the time provided for such payment and granting the commissioner authority to extend time for payment; amending Minnesota Statutes 1969, Sections 297.07, Subdivision 4; and 297.35, Subdivision 5.*

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1969, Section 297.07, Subdivision 4, is amended to read:

**Subd. 4. TAXATION; TOBACCO PRODUCTS; MONTHLY TAX PAYMENTS; PENALTY FOR NONPAYMENT.** All taxes shall be due and payable not later than the eighteenth day of the month following the calendar month in which they were incurred, and thereafter shall bear interest at the rate of six percent per annum. The commissioner in issuing his final assessment pursuant to subdivision 3 shall add to the amount of tax found due and unpaid a penalty of ten percent thereof, except that, if he finds that the distributor has made a false and fraudulent return with intent to evade the tax imposed by sections 297.01 to 297.13, the penalty shall be 25 percent of the entire tax as shown by the corrected return. If any such tax is not paid within the time herein specified for the payment thereof or within 30 days after final determination of an appeal to the Minnesota tax court relating thereto, there shall be added thereto a specific penalty equal to five percent of the amount so remaining unpaid, but in no event shall the penalty for failure to pay such tax within the time provided for such payment be less than \$10. The commissioner is authorized to extend the time for paying such tax without penalty for good cause shown.

Changes or additions indicated by underline, deletions by ~~strikeout~~.

Sec. 2. Minnesota Statutes 1969, Section 297.35, Subdivision 5, is amended to read:

Subd. 5. All taxes shall be due and payable not later than the eighteenth day of the month following the calendar month in which they were incurred, and thereafter shall bear interest at the rate of six percent per annum. If any tax required to be paid under the provisions of this section is not paid within the time herein specified, a penalty of five percent of the unpaid tax remaining each month up to a maximum of 25 percent is herein imposed but in no event shall the penalty for failing to pay such tax within the time so provided be less than \$10. The commissioner of taxation is authorized to extend the time for paying such tax without penalty for good cause shown.

Where, under the provisions of subdivisions 2 and 3 of this section, the amount of tax due for a given period is assessed without allocating it to any particular month or months, the interest shall commence to run from the date of such assessment.

The commissioner shall have power to reduce or abate the penalty or interest when in his opinion the facts warrant such reduction or abatement. The exercise of this power shall be subject to the provisions of chapter 270 if the reduction or abatement exceeds \$500.

Approved May 10, 1971.

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#### CHAPTER 239—H.F.No.1069

*An act relating to tobacco products tax; providing for redefinition of certain terms; amending Minnesota Statutes 1969, Section 297.31, Subdivision 6.*

Be it enacted by the Legislature of the State of Minnesota:

Section.1. Minnesota Statutes 1969, Section 297.31, Subdivision 6, is amended to read:

Subd. 6. **TAXATION; TOBACCO PRODUCTS; DEFINITION.** "Subjobber" means any person, other than a manufacturer or distributor, who buys from a distributor tobacco products from a distributor upon which the tax imposed by this chapter has been paid and sells them to persons other than the ultimate consumers, and any licensed distributor who delivers, sells or distributes tobacco products upon which the tax imposed by this chapter has been paid from a place of business other than that for which he has obtained his distributor's license.

Approved May 10, 1971.

Changes or additions indicated by underline, deletions by ~~strikeout~~.