

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
93rd General Assembly
Regular Session, 2021

As Engrossed: S4/5/21 S4/19/21

A Bill

SENATE BILL 551

By: Senator M. Johnson
By: Representative Dalby

For An Act To Be Entitled

AN ACT TO AMEND THE UNFAIR CIGARETTE SALES ACT; AND
FOR OTHER PURPOSES.

Subtitle

TO AMEND THE UNFAIR CIGARETTE SALES ACT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 4-75-702, concerning definitions in the Unfair Cigarette Sales Act, is amended to add an additional subdivision to read as follows:

(15) "Rebate" means a payment made by a seller of cigarettes to a purchaser of cigarettes after the sale that serves as a discount or return of part of an amount previously given in payment by the purchaser of cigarettes.

SECTION 2. Arkansas Code § 4-75-708(b) and (c), concerning the use of rebates in the sale of cigarettes to impact competition under the Unfair Cigarette Sales Act, are amended to read as follows:

(b)(1) It shall be is unlawful for any wholesaler, retailer, or salesperson to offer a rebate in price, to give a rebate in price, to offer a concession of any kind, or to give a concession of any kind or nature whatsoever in connection with the sale of cigarettes with intent to injure competitors or destroy or substantially lessen competition.

(2) However, it is not unlawful under this section for a wholesaler to give a rebate if the rebate is paid by check or electronic



direct deposit and does not result in a sale at less than the cost to the wholesaler according to § 4-75-702(5)(A), less discounts that are received by the wholesaler from the manufacturer.

(c) It shall be unlawful for any retail dealer to induce or attempt to induce or to procure or attempt to procure+

~~(1) The the purchase of cigarettes at a price less than cost to the wholesaler; or~~

~~(2) Any rebate or concession of any kind in connection with the purchase of cigarettes.~~

/s/M. Johnson