

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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S.B. 144  
PRINCIPAL CLERK

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SENATE BILL DRS35062-NIF-15

Short Title: Common Sense Distribution Licensing. (Public)

Sponsors: Senators Johnson and Sawrey (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO REMOVE THE LICENSING REQUIREMENT FOR DELIVERY SELLERS  
3 MAKING DELIVERY SALES OF NON-TAX-PAID CIGARETTES, TO REMOVE THE  
4 LICENSING REQUIREMENT FOR DELIVERY SELLERS OR REMOTE SELLERS  
5 MAKING DELIVERY SALES OR REMOTE SALES OF NON-TAX-PAID TOBACCO  
6 PRODUCTS, AND TO CREATE A DISTINCT LICENSE TYPE FOR VAPOR  
7 PRODUCTS.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 105-113.12 reads as rewritten:

10 "§ 105-113.12. License required.

11 (a) A distributor must obtain a license for each of the locations listed in this subsection,  
12 as applicable, and must pay a tax of twenty-five dollars (\$25.00) for each license. A license is in  
13 effect until June 30 of the year following the second calendar year after the date of issuance or  
14 renewal. A license is renewable upon signed application with no renewal license tax, unless  
15 applied for after the June 30 expiration date. The locations are:

16 (1) Each location where a distributor receives or stores non-tax-paid cigarettes in  
17 this State.

18 (2) For a distributor that is a delivery seller, each location from which the  
19 distributor ~~ships-receives or stores non-tax-paid cigarettes for~~ delivery sales  
20 of cigarettes if the location is a location other than the location described in  
21 subdivision (1) of this subsection.

22 (b) Repealed by Session Laws 2021-180, s. 42.9(d), effective July 1, 2022, and applicable  
23 to sales or purchases occurring on or after that date.

24 (c) An out-of-state distributor that is not a delivery seller may obtain a distributor's  
25 license upon compliance with the provisions of G.S. 105-113.4A and G.S. 105-113.24 and  
26 payment of a tax of twenty-five dollars (\$25.00)."

27 SECTION 2. G.S. 105-113.39A reads as rewritten:

28 "§ 105-113.39A. License required.

29 (a) Requirement. – A wholesale dealer or a retail dealer must obtain from the Secretary  
30 a license ~~for each of the locations listed in this subsection, as applicable, in accordance with~~  
31 subsections (a1) and (a2) of this section, and must pay the required license tax for each license.  
32 A license is in effect until June 30 of the year following the second calendar year after the date  
33 of issuance or renewal, unless cancelled or revoked prior to expiration. A license is renewable  
34 upon signed application with no renewal license tax, unless applied for after the June 30  
35 expiration date. ~~The locations are:~~



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1        (a1) Other Tobacco Products License. – A wholesale dealer or a retail dealer must obtain  
2 an other tobacco products license for all of the following locations:

3            (1)    Each location where a wholesale dealer makes tobacco ~~products-products~~  
4                    other than vapor products.

5            (2)    Each location where a wholesale dealer or a retail dealer receives or stores  
6                    non-tax-paid tobacco ~~products-products~~ other than vapor products.

7            (3)    Each location from where a retail dealer that is a delivery seller or remote  
8                    seller ~~ships-receives~~ or stores non-tax-paid tobacco products for delivery sales  
9                    or remote sales of tobacco products other than vapor products if the location  
10                   is a location other than the location described in subdivision (2) of this  
11                   subsection.

12        (a2) Vapor Products License. – A wholesale dealer or a retail dealer must obtain a vapor  
13 products license for all of the following locations:

14            (1)    Each location where a wholesale dealer makes vapor products.

15            (2)    Each location where a wholesale dealer or a retail dealer receives or stores  
16                    non-tax-paid vapor products.

17            (3)    Each location from where a retail dealer that is a delivery seller or remote  
18                    seller receives or stores non-tax-paid vapor products for delivery sales if the  
19                    location is a location other than the location described in subdivision (2) of  
20                    this subsection.

21        (b)    License Tax Amount. – The license tax amounts are as follows:

22            (1)    Wholesale dealer \$25.00

23            (2)    Retail dealer \$10.00

24        (c)    Out-of-State Wholesale Dealers. – An out-of-state wholesale dealer of tobacco  
25 products that is not a delivery seller or a remote seller may obtain a wholesale dealer's license  
26 upon compliance with the provisions of G.S. 105-113.4A and payment of a tax of twenty-five  
27 dollars (\$25.00)."

28            **SECTION 3.** This act becomes effective October 1, 2023.