

The House Committee on Regulated Industries offers the following substitute to HB 1227:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 11 of Title 48 of the Official Code of Georgia Annotated, relating to taxes  
2 on tobacco products, so as to provide for utilization of digital based cigarette stamp  
3 processes; to provide a short title; to provide for dates and stages of implementation; to  
4 provide for related matters; to provide for a contingent effective date; to repeal conflicting  
5 laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 This Act shall be known and may be cited as the "Anti-cigarette Smuggling Act."

9 **SECTION 2.**

10 Chapter 11 of Title 48 of the Official Code of Georgia Annotated, relating to taxes on  
11 tobacco products, is amended by adding a new Code section to read as follows:

12 "48-11-3.1.

13 (a) The department shall utilize appropriate new technology on a state-wide basis which  
14 implements digital based cigarette stamp processes that will further ensure against forgery  
15 and tax evasion and aid the department in enforcement. Said technology shall feature  
16 instant verification of the validity of a stamp by an enforcement officer without the use of  
17 a central data base and shall enable the department to track and trace individual packages  
18 of cigarettes.

19 (b) Not later than three months after the date this Code section becomes effective, the  
20 department shall issue a request for proposals to qualified vendors for technology meeting  
21 the requirements of subsection (a) of this Code section.

22 (c) Not later than six months after the date this Code section becomes effective, the  
23 department shall develop and implement a pilot program to determine the most beneficial  
24 manner of implementing the technology meeting the requirements of subsection (a) of this  
25 Code section.

1 (d) Not later than 15 months after the date this Code section becomes effective, the  
2 department shall complete state-wide implementation of the technology meeting the  
3 requirements of subsection (a) of this Code section."

4 **SECTION 3.**

5 This Act shall become effective only if funds are specifically appropriated for purposes of  
6 this Act in an appropriations Act making specific reference to this Act and shall become  
7 effective when funds so appropriated become available for expenditure.

8 **SECTION 4.**

9 All laws and parts of laws in conflict with this Act are repealed.