

9<sup>th</sup> MAJURO ATOLL LOCAL GOVERNMENT COUNCIL

34<sup>th</sup> REGULAR SESSSION, 2020

ORD. NO. 03  
(2020 - 03)

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1 **ORDINANCE NO.: 2020-03 IS HEREBY ENACTED BY THE MAJURO ATOLL**  
2 **LOCAL GOVERNMENT COUNCIL, MAJURO, MARSHALL ISLANDS AS**  
3 **FOLLOWS:**

4  
5 **SECTION 1.     SHORT TITLE.**

6         This Ordinance may be cited as the General Revenue Tax (Tobacco Product  
7         Amendment) Ordinance, 2020.

8  
9 **SECTION 2.     AMENDMENT.**

10         Section 5 of the General Revenue Tax Ordinance of 1992, is amended and  
11         replace with new language as follows:

12                 “SECTION 5: IMPOSITION OF TAX ON TOBACCO  
13                 PRODUCTS

14                 ~~There shall be assessed, levied, paid by the purchaser and collected by~~  
15         ~~business the following ad valorem specific retain sales tax of Ten percent (10%)~~  
16         ~~of the selling price of all tobacco products, including, without limitation:~~

17                         ~~(1)Cigars;~~

18                         ~~(2)Cigarettes; and~~

19                         ~~(3)Pipe tobacco, chewing tobacco, snuff and any other tobacco~~  
20                         ~~product.”~~

21         (1) Taxes. Every license holder, wholesaler or retailer, in addition to  
22                 any other taxes provide by law, shall pay for an excise tax equal to  
23                 \$1.50 for each stamped cigarette pack sold, used, or possessed by a  
24                 license holder, wholesaler or retailer after December 11, 2022,

1           whether or not sold at wholesale or retailer, or if not sold then at  
2           the same rate upon the use by the wholesaler or retailer.

3           (2) Payment of tax through use of stamps. Tax imposed under Section  
4           5(1) of this Section, upon the sale or use of cigarettes shall be paid  
5           by licensee through the use of stamps.

6           (3) Affixation: required prior to distribution; method and manner.

7                   (a) Beginning December 12, 2022, a licensee or the authorized agent  
8                   or designee of a licensee shall affix a stamp to the bottom of  
9                   each individual package of cigarettes prior to distribution.

10                  (b) Beginning December 12, 2022, no individual package of  
11                  cigarettes may be sold or offered for sale to the general  
12                  public unless affixed with the stamp required under this  
13                  section.

14                  (c) MALGOV shall adopt rules prescribing the method and  
15                  manner in which stamps are to be affixed to the packages of  
16                  cigarettes and all other tobacco products under this ordinance.

17                  (d) For the purposes of allowing compensation for the costs  
18                  necessarily incurred in affixing the proper tax stamps to each  
19                  package of cigarettes prior to distribution, each licensee or  
20                  authorized agent or a designee of a licensee purchasing  
21                  stamps from MALGOV may purchase the stamps at a  
22                  reduction of \$1.00 of the denominated value of each stamp  
23                  purchased. The reduction shall be the only discount allowed  
24                  to purchasers from the MALGOV. If a purchaser does not  
25                  comply with all the provisions of Section 5 of this  
26                  Ordinance, the licensee shall pay the full denominated value  
27                  of the stamps purchased until the licensee has complied.

MALGOV may increase or decrease the \$1.00 reduction by rule.

(e) For the purposes of this Section, "tobacco products," includes, without limitation:

- (1) Cigars;
- (2) Cigarettes, which shall not be sold by piece or by single sell;
- (3) Pipe tobacco, chewing tobacco, snuff and any other tobacco product.

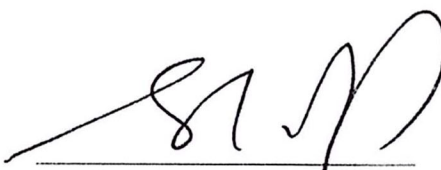
(f) licensee or the authorized agent or designee of a licensee, wholesale or retain knowingly violates this section shall be guilty of offence punishable under the ordinance.

### SECTION 3. EFFECTIVE DATE

This Ordinance shall become effective immediately after it has been passed by the Majuro Atoll Local Council, certified by the Mayor, and approved by the Minister of Internal Affairs.


Passed unanimously by the Majuro Atoll Local Council on October 1, 2020.

Certified:

  
Ladie N. Jack, Mayor


10/1/2020  
Date

Attested:

  
Wilbur Allen, City Clerk

10/1/20  
Date

Approved:

  
Jemi Nashion  
Minister of Culture & Internal Affairs

10/5/21  
Date