

1 **SECTION 2.** G.S. 105-113.35 is amended by adding a new subsection to
2 read:

3 "(c1) Manufacturer's Relief. – A manufacturer who ships tobacco products other
4 than cigarettes to an affiliated wholesale dealer licensed under this Part is relieved of
5 paying the tax imposed by this section on the tobacco products. To be relieved of
6 payment of the tax imposed by this section, a manufacturer must comply with the
7 requirements set by the Secretary."

8 **SECTION 3.** G.S. 105-113.35(d) reads as rewritten:

9 "(d) Manufacturer's Option. – A manufacturer or wholesale dealer who is not a
10 retail dealer and who ships tobacco products other than cigarettes to either a wholesale
11 dealer or retail dealer licensed under this Part may apply to the Secretary to be relieved
12 of paying the tax imposed by this section on the tobacco products. Once granted
13 permission, a manufacturer or wholesale dealer may choose not to pay the tax until
14 otherwise notified by the Secretary. To be relieved of payment of the tax imposed by
15 this section, a manufacturer or wholesale dealer must comply with the requirements set
16 by the Secretary."

17 **SECTION 4.** This act becomes effective July 1, 2007.