

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 58.1-1017.1 of the Code of Virginia, relating to illegal distribution of*  
3 *tax-paid contraband cigarettes; civil penalties.*

4 [S 478]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 58.1-1017.1 of the Code of Virginia is amended and reenacted as follows:**8 **§ 58.1-1017.1. Possession with intent to distribute tax-paid, contraband cigarettes; penalty.**

9 Any person other than an authorized holder who possesses, with intent to distribute, more than 5,000  
10 (25 cartons) but fewer than 100,000 (500 cartons) tax-paid cigarettes is guilty of a Class 1 misdemeanor  
11 for a first offense and is guilty of a Class 6 felony for any second or subsequent offense. Any person  
12 other than an authorized holder who possesses, with intent to distribute, 100,000 (500 cartons) or more  
13 tax-paid cigarettes is guilty of a Class 6 felony for a first offense and is guilty of a Class 5 felony for a  
14 second or subsequent offense. Additionally, any person who violates the provisions of this section shall  
15 be assessed a civil penalty of (i) \$2.50 per pack, but no ~~more~~ less than \$5,000, for a first offense; (ii)  
16 \$5 per pack, but no ~~more~~ less than \$10,000, for a second such offense committed within a 36-month  
17 period; and (iii) \$10 per pack, but no ~~more~~ less than \$50,000, for a third or subsequent such offense  
18 committed within a 36-month period. The civil penalties shall be assessed and collected by the  
19 Department as other taxes are collected.

ENROLLED

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