

1 IN THE SENATE BY SENATOR BRONSON
2 SPONSOR SUBSTITUTE FOR SENATE BILL NO. 259
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 THIRD LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act requiring a license to issue, sell,
7 or deliver trading stamps and other similar
8 devices; and regulating their use."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 43 is amended by adding a new chapter to read:

11 CHAPTER 77. TRADING STAMP LICENSE TAX

12 Sec. 43.77.010. LICENSE REQUIRED FOR TRADING STAMPS. No
13 person may use, furnish, or sell, in connection with the sale
14 of goods, trading stamps, coupons, tickets, certificates,
15 cards, or other similar devices which entitle the purchaser
16 to procure goods free of charge or for less than the retail
17 market price of the goods without first obtaining a separate
18 license for each store or place of business owned or conducted
19 by that person from which the furnishing or selling, or in
20 which the using takes place.

21 Sec. 43.77.020. LICENSE. (a) The license required by
22 sec. 10 of this chapter may be obtained from the Department
23 of Revenue by payment of an annual license fee of \$6,000.

24 (b) The license shall contain the name of the licensee,
25 the dates of its issue and expiration, and the name and
26 address of the store or place of business for which the
27 license is issued, and shall be used only at the store or
28 place of business for which it is issued.

29 Sec. 43.77.030. EXEMPTION FOR COUPONS IN ORIGINAL

1 PACKAGES. (a) Sec. 10 of this chapter and AS 45.50.520 -
2 45.50.550 do not apply to the issuance and direct redemption
3 by a manufacturer of a premium coupon, certificate, or sim-
4 ilar device, or prevent him from issuing and directly redeem-
5 ing them. However, a premium coupon, certificate, or similar
6 device shall not be issued, circulated, or distributed by
7 retail vendors except when contained in or attached to an
8 original package.

9 (b) In this section, "manufacturer" means a vendor of
10 an article of merchandise which is put up by or for him in
11 an original package and which is sold under his or its trade
12 name, brand, or mark.

13 Sec. 43.77.140. PENALTY. A person who violates any
14 provision of this chapter is guilty of a misdemeanor.

15 * Sec. 2. AS 45.50 is amended by adding new sections to read:

16 ARTICLE 5. TRADING STAMPS AND PREMIUMS

17 Sec. 45.50.520. REDEEMABLE CASH VALUE TO BE PRINTED ON
18 FACE. No person may sell or issue any stamp, trading stamp,
19 cash discount stamp, check, ticket, coupon, or other similar
20 device which will entitle the holder of them, on presentation
21 either singly or in definite number, to receive, either
22 directly from the vendor or indirectly through any other per-
23 son, money or goods, wares or merchandise, unless each of the
24 stamps, trading stamps, cash discount stamps, checks, tickets,
25 coupons, or other similar devices shall have legibly printed
26 or written upon the face their redeemable value in cents.

27 Sec. 45.50.530. MUST REDEEM AT CASH VALUE. A person
28 who sells or issues to any person engaged in a trade, business,
29 or profession any stamp, trading stamp, cash discount stamp,

1 check, ticket, coupon, or other similar device which entitles
2 the holder of them, on presentation either singly or in
3 definite number, to receive either directly from the vendor
4 or indirectly through any other person, money or goods, wares
5 or merchandise, shall, upon presentation, redeem the same
6 either in goods, wares, or merchandise, or in cash, at the
7 option of the holder of them. Any number of the stamps,
8 trading stamps, cash discount stamps, checks, tickets, coupons,
9 or other similar devices shall be redeemed at the value in
10 cents printed upon their face. It is not necessary for the
11 holder of the stamps, trading stamps, cash discount stamps,
12 checks, tickets, coupons, or other similar devices to have
13 any stipulated number of them before demand for redemption
14 can be made.

15 Sec. 45.50.540. DISTRIBUTOR LIABLE. If the person issuing
16 or selling to a person engaged in a trade, business, or pro-
17 fession any stamp, trading stamp, cash discount stamp, check,
18 ticket, coupon, or other similar device fails or refuses to
19 redeem them as provided in sec. 530 of this chapter, then
20 the person engaged in a trade, business, or profession who
21 distributes, delivers, or presents them to any person dealing
22 with him, in consideration of any article or thing purchased,
23 is liable to the holder of them for their face value and
24 shall redeem them as set out in sec. 530 of this chapter.

25 Sec. 45.50.550. CRIMINAL PENALTY. Any person, firm, or
26 corporation who violates any of the provisions of this chapter
27 is deemed guilty of a misdemeanor, and shall be fined not less
28 than \$100 nor more than \$1,000 for each offense.
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