

1 By: Scott Crass  
2 Liz Reeve-Ramos  
3 Introduced: 02/22/2024  
4 Advanced: 02/22/2024  
5 Amended: 03/14/2024  
6 Adopted: 03/14/2024  
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8 FAIRBANKS NORTH STAR BOROUGH  
9

10 ORDINANCE NO. 2024 – 10  
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12 AN ORDINANCE AMENDING CHAPTER 8.44 FNSBC TO INCREASE THE TOBACCO  
13 DISTRIBUTION EXCISE TAX AND ADDING ELECTRONIC SMOKING PRODUCTS  
14

15 WHEREAS, Electronic smoking and vaping products have similar  
16 characteristics and impacts as other tobacco products, and are designed to deliver  
17 nicotine or related substances to the user; and  
18

19 WHEREAS, Many public health organizations and policymakers, such as the  
20 Surgeon General, are concerned about their safety and health impact on user, especially  
21 among youth; and  
22

23 WHEREAS, Taxation of these products is a step toward deterring their use,  
24 and according to the World Health Organization price increases have historically reduced  
25 the number of people who use tobacco related products.  
26

27 NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks  
28 North Star Borough:  
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30 Section 1. This ordinance is of a general and permanent nature and shall  
31 be codified.  
32

33 Section 2. FNSBC 8.44.010, Definitions, is hereby amended as follows: [the  
34 Clerk shall add or amend the definitions in alphabetical order]

35 “Electronic smoking product” means any noncombustible device that provides a vapor of  
36 liquid nicotine (natural or synthetic) to the user or relies on vaporization of any liquid or  
37 solid nicotine (natural or synthetic), including devices manufactured as e-cigarettes, e-  
38 cigars, e-pipes, or any other product name. An electronic smoking product does not  
39 include a battery, battery charger, or mouthpiece when sold separately or a cartridge,  
40 pod, tank, or similar container when sold empty.

41 “Tobacco product” means:

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT

Text to be *added* is underlined

Text to be *deleted* is [BRACKETED, CAPITALIZED]

- 42 1. A cigar;  
43 2. A cheroot;  
44 3. A stogie;  
45 4. A perique;  
46 5. Snuff and snuff flour;  
47 6. Smoking tobacco, including granulated, plug-cut, crimp-cut, ready-  
48 [RUFFED]rubbed, and any form of tobacco suitable for smoking in a pipe or cigarette;  
49 7. Chewing tobacco, including Cavendish, twist, plug, scrap, and tobacco  
50 suitable for chewing;  
51 8. An article or product made wholly or in part of tobacco or a tobacco  
52 substitute or otherwise containing nicotine (natural or synthetic) that is expected or  
53 intended for human consumption, but not including a tobacco cessation substitute,  
54 including but not limited to those prescribed by a licensed physician or a product that has  
55 been approved by the United States Food and Drug Administration for sale as a tobacco  
56 use cessation or harm reduction product or for other medicinal purposes and which is  
57 being marketed and sold solely for that approved purpose; [OR]  
58 9. An electronic smoking product; or  
59 [9]10. A cigarette.

60  
61 Section 3. FNSBC 8.44.020, Imposition of excise tax on tobacco products,  
62 is hereby amended as follows:

63 A. The borough hereby levies an excise tax on the distribution of tobacco products  
64 brought into the borough after July 1, 2004, and including electronic smoking products  
65 brought into the borough after July 1, 2024, measured at the rate of [EIGHT]20 percent  
66 times the wholesale price of such tobacco products.

67 B. It is the intent and purpose of this chapter to provide for the collection of the  
68 excise tax from the person who brings or causes to be brought tobacco products into the  
69 borough. The excise tax is levied when:

70 1. A person brings, or causes to be brought, tobacco products into the borough  
71 from outside the borough for sale; or

72 2. A person ships or transports cigarettes or tobacco products to a retailer in  
73 the borough for sale by a retailer.

74 C. Products upon which a tax is imposed under this section are not again subject to  
75 the tax when acquired by another person.

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77 Section 4. Effective date. This ordinance is effective at 5:00 p.m. on June  
78 30, 2024.  
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AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT

Text to be *added* is underlined

Text to be *deleted* is [BRACKETED, CAPITALIZED]

ADOPTED THIS 14<sup>TH</sup> DAY OF MARCH 2024.

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Savannah Fletcher  
Presiding Officer

ATTEST:

  
April Trickey, MMC  
Borough Clerk

Yeses: Kelly, Crass, Reeves-Ramos, Guttenberg, Fletcher  
Noes: Haney, LaJiness, Rotermund, O’Neill

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT  
Text to be *added* is underlined  
Text to be *deleted* is [BRACKETED, CAPITALIZED]