THIRD SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 3859 of 23rd June, 2011

B. 17/11

BILL

FOR

AN ACT to amend the Tobacco Act 1997 to make provision for the auction of cigarettes in defined circumstances.

ENACTED by the Legislature of Gibraltar.

Title and commencement.

1. This Act may be cited as the Tobacco (Amendment) Act 2011 and comes into operation on the day of publication.

Amendment of Act.

- 2.(1) The Tobacco Act 1997 (herein after "the principal Act") is amended in accordance with the provisions of this section.
- (2) In section 16(4) of the principal Act delete the words "any cigarettes, or".
- (3) After section 16 of the principal Act insert the following section-

"Disposal of cigarettes by auction.

- 16A.(1) This section applies to cigarettes which-
 - (a) a court has ordered be forfeit to the Crown; or

- (b) have otherwise come into the possession of the police or customs and are not subject to any claim.
- (2) Any cigarettes to which subsection (1) applies, if they are of merchantable quality, may be auctioned by or on behalf of the Government in accordance with the provisions of this section.
- (3) An auction of cigarettes under this section shall only be open to persons who hold a valid wholesale licence issued under section 6.
- (4) The proceeds of an auction under this section shall be paid into the Consolidated Fund.
- (5) The Government shall destroy any cigarettes to which this section applies if it believes such cigarettes are not of merchantable quality.".

EXPLANATORY MEMORANDUM

This Bill amends the Tobacco Act 1997 to provide the Government with the power to dispose of cigarettes by way of an auction when these have come into its possession by virtue of these having been forfeited by court order or otherwise come into the possession of the police or customs.

The auction will only be open to persons who are in possession of a valid wholesale licence.

The proceeds of the auction will be paid into the consolidated fund.

Where the cigarettes are not fit for sale they will be destroyed.

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