

Senate Bill 539

By: Senators Merritt of the 9th, Mallow of the 2nd, Esteves of the 6th, Harrell of the 40th, Orrock of the 36th and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 11 of Title 48 of the Official Code of Georgia Annotated, relating to taxes
2 on tobacco and vaping products, so as to increase the rate of the tax on each pack of
3 cigarettes; to provide that the proceeds derived from such increase are intended to be
4 appropriated for healthcare purposes; to provide for related matters; to repeal conflicting
5 laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Chapter 11 of Title 48 of the Official Code of Georgia Annotated, relating to taxes on
9 tobacco and vaping products, is amended in Code Section 48-11-2, relating to excise tax
10 imposed, rates for tobacco and vaping products, exemptions, collection and payment, and tax
11 separately identified, by revising subsection (a) and adding a new subsection to read as
12 follows:

13 "(a) An excise tax, in addition to all other taxes of every kind imposed by law, is imposed
14 upon the sale, receipt, purchase, possession, consumption, handling, distribution, or use of
15 cigars, cigarettes, loose or smokeless tobacco, alternative nicotine products, and vapor
16 products in this state at the following rates:

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- 17 (1) Little cigars: two and one-half mills each;
- 18 (2) All cigars other than little cigars: 23 percent of the wholesale cost price, exclusive
19 of any trade, cash, or other discounts or any promotion, advertising, display, or similar
20 allowances;
- 21 (3) Cigarettes: ~~37¢~~ 57¢ per pack of 20 cigarettes and a like rate, pro rata, for other size
22 packages;
- 23 (4) Loose or smokeless tobacco: 10 percent of the wholesale cost price, exclusive of any
24 trade, cash, or other discounts or any promotion, advertising, display, or similar
25 allowances;
- 26 (5) Consumable vapor products in a closed system: 5¢ per fluid milliliter;
- 27 (6) Consumable vapor products in an open system: 7 percent of the wholesale cost price,
28 exclusive of any trade, cash, or other discounts or any promotion, advertising, display,
29 or similar allowances; and
- 30 (7) Vapor devices that contain any consumable vapor product at the time of sale and
31 which are not designed or intended to be reused or refilled: 7 percent of the wholesale
32 cost price, exclusive of any trade, cash, or other discounts or any promotion, advertising,
33 display, or similar allowances.
- 34 (a.1) It is the intent of the General Assembly that the state proceeds derived from 20¢ of
35 the per pack tax on cigarettes levied pursuant to paragraph (3) of subsection (a) of this
36 Code section are to be appropriated annually to address healthcare issues affecting Georgia
37 residents. Upon request by the chairperson of the House Committee on Appropriations or
38 the Senate Appropriations Committee, the department shall report the amount of such
39 proceeds derived in the prior fiscal year."

40 **SECTION 2.**

41 All laws and parts of laws in conflict with this Act are repealed.