

HOUSE BILL No. 1251

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-7-1.

Synopsis: Cigarette taxes. Increases the cigarette tax by \$1 to \$1.995 per pack of regular size cigarettes and makes a corresponding increase for larger cigarettes.

Effective: July 1, 2025.

Rowray

January 9, 2025, read first time and referred to Committee on Ways and Means.



First Regular Session of the 124th General Assembly (2025)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1251

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-7-1-0.4, AS ADDED BY P.L.220-2011,
2 SECTION 161, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2025]: Sec. 0.4. **(a)** Notwithstanding section 14
4 of this chapter, revenue stamps paid for before July 1, 2007, and in the
5 possession of a distributor may be used after June 30, 2007, only if the
6 full amount of the tax imposed by section 12 of this chapter, as
7 effective after June 30, 2007, and as amended by P.L.218-2007, is
8 remitted to the department under the procedures prescribed by the
9 department.

10 **(b) Notwithstanding section 14 of this chapter, revenue stamps**
11 **paid for before July 1, 2025, and in the possession of a distributor**
12 **may be used after June 30, 2025, only if the full amount of the tax**
13 **imposed by section 12 of this chapter, as amended and effective**
14 **after June 30, 2025, is remitted to the department under the**
15 **procedures prescribed by the department.**

16 SECTION 2. IC 6-7-1-12, AS AMENDED BY P.L.191-2016,
17 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



1 JULY 1, 2025]: Sec. 12. The following taxes are imposed, and shall be
2 collected and paid as provided in this chapter, upon the sale, exchange,
3 bartering, furnishing, giving away, or otherwise disposing of cigarettes
4 within the state of Indiana:

5 (1) On cigarettes weighing not more than three (3) pounds per
6 thousand (1,000), a tax at the rate of ~~four and nine hundred~~
7 ~~seventy-five thousandths cents (\$0.04975)~~ **nine and nine**
8 **hundred seventy-five thousandths cents (\$0.09975)** per
9 individual cigarette.

10 (2) On cigarettes weighing more than three (3) pounds per
11 thousand (1,000), a tax at the rate of ~~six and six hundred twelve~~
12 ~~thousandths cents (\$0.06612)~~ **thirteen and two hundred**
13 **fifty-seven thousandths cents (\$0.13257)** per individual
14 cigarette, except that if any cigarettes weighing more than three
15 (3) pounds per thousand (1,000) shall be more than six and
16 one-half (6 1/2) inches in length, they shall be taxable at the rate
17 provided in subdivision (1), counting each two and three-fourths
18 (2 3/4) inches (or fraction thereof) as a separate cigarette.

