

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 365** HLS 20RS 917
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 16, 2020 10:16 AM	Author: HUGHES
Dept./Agy.: Revenue, Alcohol/Tobacco Control	Analyst: Benjamin Vincent
Subject: TAX/TOBACCO TAX	

TAX/TOBACCO TAX OR NO IMPACT GF RV See Note Page 1 of 1
 Provides for the name of the organization sampling cigars or pipe tobacco on the premises of certain convention facilities

Current law temporarily exempts cigars and pipe tobacco sampled on the premises of convention facilities during the International Premium Cigar and Pipe Retailers Association convention from the excise tax on tobacco, and specifies that the exemption will remain in effect until December 31, 2025. Current law specifically names the individual convention at which this sampling is temporarily exempt.

Proposed law renames the convention at which such sampling shall be exempt to the Premium Cigar Association Annual Trade Show.

Effective upon governor's signature.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Current law provides a temporary exemption from tobacco excise tax on samples of pipe tobacco or cigars during a convention that is specifically named in the statutes- the convention of International Premium Cigar and Pipe Retailers Association.

Proposed law renames the convention at which the exemption is allowed to accommodate a name change that occurred in 2019 for the convention and association. The name of the association is now the Premium Cigar Association, and proposed law changes the name of the particular convention recognized to the Premium Cigar Association Annual Trade Show.

Proposed law does not change the provision that provides for the expiration of the exemption on December 31, 2025, and maintains the exemption intended for a particular convention. Thus no revenue impact is anticipated.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Gregory V. Albrecht
Chief Economist