

2015 Regular Session

HOUSE BILL NO. 224

BY REPRESENTATIVE HOFFMANN

TAX/EXCISE: Levies an additional tax on cigarettes

1 AN ACT

2 To enact R.S. 47:841(B)(6), relative to the tobacco tax; to provide with respect to the rate
3 of the tax levied on cigarettes; to increase the rate of the tax levied on cigarettes; to
4 provide with respect to the application of the tax on cigarettes in the inventory of
5 certain retail and wholesale dealers; to provide for an effective date; and to provide
6 for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 47:841(B)(6) is hereby enacted to read as follows:

9 §841. Imposition of tax

10 There is hereby levied a tax upon the sale, use, consumption, handling, or
11 distribution of all cigars, cigarettes, and smoking and smokeless tobacco, as defined
12 herein, within the state of Louisiana, according to the classification and rates
13 hereinafter set forth:

14 * * *

15 B. Cigarettes.

16 * * *

17 (6) In addition to the taxes levied in Paragraphs (1), (2), (4), and (5) of this
18 Subsection and in Paragraph (3) of this Subsection as continued in effect by Article
19 7, Section 4.1 of the Constitution of Louisiana, there is hereby levied an additional
20 tax of three and twelve-twentieths of one cent per cigarette.

21 * * *

1 Section 2. The increase in the cigarette tax imposed by this Act shall apply to all
2 cigarette products purchased by retail dealers and wholesale dealers on and after July 1,
3 2015, and shall not apply to stamped products and unused tax stamps in the possession of
4 wholesale dealers prior to July 1, 2015. All wholesale and retail dealers shall file an
5 inventory with the secretary of the Department of Revenue of all cigarettes on hand prior to
6 July 1, 2015. The inventory shall be filed by August 1, 2015. The secretary shall have
7 authority to adopt rules and regulations as to the filing of the inventory report.

8 Section 3. The increase in the cigarette tax levied by the provisions of this Act shall
9 be effective for the period beginning on July 1, 2015.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 224 Original

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Hoffmann

Abstract: Levies an additional tax of 72¢ per pack of 20 cigarettes thereby increasing the total tax per pack of 20 cigarettes from 36¢ per pack to \$1.08 per pack.

Present law provides for the levy of a tax upon the sale, use, consumption, handling, or distribution of all cigarettes. The amount of the tax per pack of 20 cigarettes is 36¢.

Proposed law retains present law but levies an additional tax upon cigarettes equal to 3-12/20 of 1¢ per cigarette thereby increasing the total tax per pack of 20 cigarettes from 36¢ per pack to \$1.08 per pack of 20 cigarettes.

Proposed law provides that the additional tax shall apply to all cigarette products purchased by retail dealers and wholesale dealers on and after July 1, 2015, but shall not apply to stamped products and unused tax stamps in the possession of wholesale dealers prior to July 1, 2015. Requires all wholesale and retail dealers to file an inventory with the Dept. of Revenue by Aug. 1, 2015, of all cigarettes on hand prior to July 1, 2015.

Proposed law authorizes the Dept. of Revenue to adopt rules and regulations as to the filing of the inventory report.

Effective July 1, 2015.

(Adds R.S. 47:841(B)(6))