

HOUSE No. 3314

The Commonwealth of Massachusetts

PRESENTED BY:

Marjorie C. Decker

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act relative to the tobacco tax.

PETITION OF:

NAME:	DISTRICT/ADDRESS:
<i>Marjorie C. Decker</i>	<i>25th Middlesex</i>
<i>Geoff Diehl</i>	<i>7th Plymouth</i>
<i>Denise C. Garlick</i>	<i>13th Norfolk</i>
<i>Danielle W. Gregoire</i>	<i>4th Middlesex</i>
<i>Paul R. Heroux</i>	<i>2nd Bristol</i>
<i>Jay R. Kaufman</i>	<i>15th Middlesex</i>
<i>Kay Khan</i>	<i>11th Middlesex</i>
<i>Paul McMurtry</i>	<i>11th Norfolk</i>
<i>Bud Williams</i>	<i>11th Hampden</i>

HOUSE No. 3314

By Ms. Decker of Cambridge, a petition (accompanied by bill, House, No. 3314) of Marjorie C. Decker and others relative to the cigarette excise tax. Revenue.

The Commonwealth of Massachusetts

**In the One Hundred and Ninetieth General Court
(2017-2018)**

An Act relative to the tobacco tax.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section 6 of chapter 64C of the General Laws, as so appearing, is hereby
2 amended by striking out the first paragraph and inserting in place thereof the following
3 paragraph:-

4 Every licensee who is required to file a return under section 16 of chapter 62C shall, at
5 the time of filing such return, pay to the commissioner an excise equal to 200 1/2 mills plus any
6 amount by which the federal excise tax on cigarettes is less than 8 mills for each cigarette so sold
7 during the calendar month covered by the return; provided, however, that cigarettes with respect
8 to which the excise under this section has once been imposed and has not been refunded, if paid,
9 shall not be subject upon a subsequent sale to the excise imposed by this section. Each
10 unclassified acquirer shall, at the time of filing a return required by said section 16 of said
11 chapter 62C, pay to the commissioner an excise equal to 200 1/2 mills plus any amount by which
12 the federal excise tax on cigarettes is less than 8 mills for each cigarette so imported or acquired
13 and held for sale or consumption, and cigarettes, with respect to which such excise has been

14 imposed and has not been refunded, if paid, shall not be subject, when subsequently sold, to any
15 further excise under this section. The commissioner may, in the commissioner's discretion,
16 require reports from any common carrier who transports cigarettes to any point or points within
17 the commonwealth and from any other person who, under contract, so transports cigarettes, and
18 from any bonded warehouseman or bailee who has in his possession any cigarettes, such reports
19 to contain such information concerning shipments of cigarettes as the commissioner shall
20 determine. All such carriers, bailees, warehousemen and other persons shall permit the
21 examination by the commissioner or the commissioner's duly authorized agent of any records
22 relating to the shipment of cigarettes into or from, or the receipt thereof within, the
23 commonwealth.

24

25 SECTION 2. Said section 6 of said chapter 64C, as so appearing, is hereby further
26 amended by striking out the second paragraph and inserting in place thereof the following
27 paragraph:-

28 Notwithstanding this section, the excise imposed by this section shall equal 214 per cent
29 of the price paid by such licensee or unclassified acquirer to purchase smokeless tobacco so sold,
30 imported or acquired.

31

32 SECTION 3. Section 7B of said chapter 64C, as so appearing, is hereby amended by
33 striking out subsection (b) and inserting in place thereof the following subsection:-

34 (b) An excise shall be imposed on all cigars and smoking tobacco held in the
35 commonwealth at the rate of 80 per cent of the wholesale price of such products. This excise
36 shall be imposed on cigar distributors at the time cigars or smoking tobacco are manufactured,
37 purchased, imported, received or acquired in the commonwealth. This excise shall not be
38 imposed on any cigars or tobacco products that (i) are exported from the commonwealth; or (ii)
39 are not subject to taxation by the commonwealth pursuant to any law of the United States.

40

41 SECTION 4. Notwithstanding any general or special law to the contrary, a manufacturer,
42 wholesaler, vending machine operator, unclassified acquirer or retailer, as defined in section 1 of
43 chapter 64C of the General Laws, and a stamper appointed by the commissioner under section 30
44 of said chapter 64C who, as of the commencement of business 7 days after the effective date of
45 this act, has on hand any cigarettes for sale or any unused adhesive or encrypted stamps, shall
46 make and file with the commissioner within 21 days a return, subscribed and sworn to under the
47 penalties of perjury, showing a complete inventory of such cigarettes and stamps and shall, at the
48 time such manufacturer, wholesaler, vending machine operator, unclassified acquirer, retailer or
49 stamper is required to file such return, pay an additional excise of 50 mills per cigarette on all
50 cigarettes and all unused adhesive and encrypted stamps upon which an excise of only 150 ½
51 mills has previously been paid. Chapters 62C of the General Laws and 64C of the General Laws
52 relative to the assessment, collection, payment, abatement, verification and administration of
53 taxes, including penalties, shall apply to the excise imposed by this section.