

HOUSE BILL NO. HB0043

Tobacco tax.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to tobacco tax; increasing the tax on
2 cigarettes, moist snuff and other tobacco products;
3 providing for reporting and taxation of floor stock; and
4 providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 39-18-104(a)(ii), (b)(ii) and (c)
9 through (f) is amended to read:

10

11 **39-18-104. Taxation rate.**

12

13 (a) There is levied and shall be collected and paid
14 to the department an excise tax upon the sale of each
15 cigarette sold by wholesalers as follows:

16

1 (ii) ~~Two and four tenths cents (\$.024)~~ Seven and
2 four-tenths cents (\$.074).

3
4 (b) There is levied and shall be paid to the
5 department an excise tax upon the use or storage by
6 consumers of cigarettes in Wyoming but only if the tax
7 imposed by subsection (a) of this section has not been paid
8 as follows:

9
10 (ii) ~~Two and four tenths cents (\$.024)~~ Seven and
11 four-tenths cents (\$.074).

12
13 (c) In addition to the other taxes imposed by this
14 section, there is levied and assessed upon cigars, snuff
15 and other tobacco products purchased or imported into this
16 state by wholesalers for resale, except cigarettes and
17 moist snuff taxed under this section, an excise tax at the
18 rate of ~~twenty percent (20%)~~ fifty-three and one-third
19 percent (53 1/3%) of the wholesale purchase price at which
20 the tobacco products are purchased by wholesalers from
21 manufacturers.

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1 (d) The tax imposed by subsection (c) of this section
2 shall also be imposed upon the use or storage by consumers
3 of cigars, snuff and other tobacco products other than
4 cigarettes and moist snuff in this state, and upon those
5 consumers, at the rate of ~~ten percent (10%)~~ twenty-six and
6 two-thirds percent (26 2/3%) of the retail price of the
7 cigar, snuff or other tobacco product other than cigarettes
8 and moist snuff. This tax shall not apply if the tax
9 imposed by subsection (c) of this section has been paid.

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11 (e) In addition to the other taxes imposed by this
12 section, there is levied and assessed upon moist snuff
13 purchased or imported into this state by wholesalers for
14 resale, an excise tax at the rate of ~~sixty cents (\$0.60)~~
15 one dollar and sixty cents (\$1.60) for any amount of moist
16 snuff up to one (1) ounce plus a proportionate tax at the
17 like rate on any fractional parts of more than one (1)
18 ounce. The tax on moist snuff shall be imposed based on the
19 net weight as listed by the manufacturer.

20
21 (f) The tax imposed by subsection (e) of this section
22 shall also be imposed upon the use or storage by consumers
23 of moist snuff in this state, and upon those consumers, at

1 the rate of ~~sixty cents (\$0.60)~~ one dollar and sixty cents
2 (\$1.60) for any amount of moist snuff up to one (1) ounce
3 plus a proportionate tax at the like rate on any fractional
4 parts of more than one (1) ounce. This tax shall not apply
5 if the tax imposed by subsection (e) of this section has
6 been paid. The tax on moist snuff shall be imposed based on
7 the net weight as listed by the manufacturer.

8

9 **Section 2.**

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11 (a) Each Wyoming licensed wholesaler required to pay
12 taxes under W.S. 39-18-104 shall:

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14 (i) Take a physical inventory of all:

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16 (A) Cigarettes in packages bearing Wyoming
17 tax stamps, and all unaffixed Wyoming cigarette tax stamps
18 possessed by the wholesaler or in their control at 11:59
19 p.m. on the effective date of this act;

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21 (B) Units of moist snuff possessed by the
22 wholesaler or in their control at 11:59 p.m. on the
23 effective date of this act;

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(C) Cigars, snuff and other tobacco products possessed by the wholesaler or in their control at 11:59 p.m. on the effective date of this act.

(ii) File a return with the department not later than ten (10) days after the effective date of this act, showing the inventories taken under paragraph (i) of this subsection;

(iii) Pay a floor stock tax at a proportionate rate equal to the increase in tobacco taxes under section 1 of this act for all cigarettes, moist snuff and cigars, snuff and other tobacco products in the possession or control of the wholesaler at 11:59 p.m. on the effective date of this act.

(b) The floor stock tax imposed by subsection (a) of this section may be paid in three (3) installments. The first installment, in an amount equal to at least one-third (1/3) of the total amount due, shall be remitted with the return provided to the department not later than ten (10) days following the effective date of this act. The second

1 installment, in an amount that brings the total amount paid
2 to at least two-thirds (2/3) of the total amount due, shall
3 be remitted one (1) month following the due date of the
4 first installment. The third installment, in an amount
5 equal to the remaining balance, shall be remitted two (2)
6 months following the due date of the first installment.
7 Penalties under W.S. 39-18-108(c)(iv) shall not be imposed
8 against any outstanding installment payment not yet due
9 from a wholesaler who files the return and makes payments
10 as required under this section.

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12 **Section 3.** This act is effective fifteen (15) days
13 after the date the attorney general certifies to the
14 secretary of state and the department of revenue that the
15 state has completed an agreement with the Eastern Shoshone
16 and Northern Arapaho Tribes providing for the imposition of
17 tobacco taxes throughout Wyoming and on the Wind River
18 Indian Reservation with a reimbursement of taxes collected
19 from members of Eastern Shoshone and Northern Arapaho
20 Tribes to the respective tribal governments.

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(END)