2025 Regular Session

HOUSE BILL NO. 325

BY REPRESENTATIVES BRYANT, DESHOTEL, JACKSON, MCCORMICK, AND NEWELL

| 1 | AN ACT |
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| 2 | To amend and reenact R.S. 47:841(A)(2), relative to tobacco taxes; to provide with respect |
| 3 | to the rate of the tax levied on certain cigars; to provide for application of the tax on |
| 4 | certain cigars in the inventory of certain retail and wholesale dealers; to provide for |
| 5 | an effective date; and to provide for related matters. |
| 6 | Be it enacted by the Legislature of Louisiana: |
| 7 | Section 1. R.S. $47:841(A)(2)$ is hereby amended and reenacted to read as follows: |
| 8 | §841. Imposition of tax |
| 9 | There is hereby levied a tax upon the sale, use, consumption, handling, or |
| 10 | distribution of all cigars, cigarettes, smoking and smokeless tobacco, and vapor |
| 11 | products and electronic cigarettes as defined herein, within the state of Louisiana, |
| 12 | according to the classification and rates hereinafter set forth: |
| 13 | A. Cigars. |
| 14 | * * * |
| 15 | (2)(a) Upon Before January 1, 2026, upon cigars invoiced by the |
| 16 | manufacturer at more than one hundred twenty dollars per thousand, a tax of twenty |
| 17 | percent of the invoice price as defined in this Chapter. |
| 18 | (b)(i) Beginning January 1, 2026, through December 31, 2027, upon cigars |
| 19 | invoiced by the manufacturer at more than one hundred twenty dollars per thousand |
| 20 | but less than two thousand five hundred dollars per thousand, a tax of twenty percent |
| 21 | of the invoice price as defined in this Chapter. |

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

| | HB NO. 325 ENROLLED |
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| 1 | (ii) Beginning January 1, 2026, through December 31, 2027, upon cigars |
| 2 | invoiced by the manufacturer at two thousand five hundred dollars or more per |
| 3 | thousand, a tax of fifty cents per cigar. |
| 4 | (c) Beginning January 1, 2028, and thereafter, upon cigars invoiced by the |
| 5 | manufacturer at more than one hundred twenty dollars per thousand, a tax of twenty |
| 6 | percent of the invoice price as defined in this Chapter. |
| 7 | * * * |
| 8 | Section 2. The change in the tax imposed on cigars by this Act shall apply to all |
| 9 | cigar products purchased by retail dealers and wholesale dealers on and after January 1, |
| 10 | 2026. All wholesale and retail dealers shall file an inventory with the secretary of the |
| 11 | Department of Revenue of all cigars on hand as of December 31, 2025. The inventory shall |
| 12 | be filed by February 1, 2026. The secretary of the Department of Revenue shall have |
| 13 | authority to adopt rules and regulations as to the filing of the inventory report. |
| 14 | Section 3. This Act shall become effective on January 1, 2026. |

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____