

2023 Regular Session

HOUSE RESOLUTION NO. 237

BY REPRESENTATIVE MINCEY

A RESOLUTION

To urge and request the Department of Revenue and its office of alcohol and tobacco control to conduct a study regarding state and local taxation of vapor products and to report findings and recommendations of the study to the House Committee on Ways and Means no later than January 8, 2024.

WHEREAS, vaping devices are battery-operated mechanisms that are used for inhalation of aerosols known as vapor products which contain the highly addictive substance nicotine, often in combination with flavorings and other chemicals; and

WHEREAS, vaping devices have become popular among teens and, according to the National Institute on Drug Abuse of the National Institutes of Health, vapor products are now the most commonly used form of nicotine among youth in the United States; and

WHEREAS, R.S. 26:791 establishes the office of alcohol and tobacco control within the Department of Revenue; and

WHEREAS, the office of alcohol and tobacco control is responsible for regulating consumer access to a variety of products including vapor products; and

WHEREAS, the Department of Revenue and its office of alcohol and tobacco control are uniquely positioned to regulate vapor products both through tax system administration and through enforcement of laws that have been enacted for public protection; and

WHEREAS, as evidenced by the final passage and final adoption, respectively, of House Bill No. 473 and House Resolution No. 151 of the 2021 Regular Session, the legislature intends to advance policies that prevent access to tobacco and vapor products by underage persons; and

WHEREAS, other legislative instruments of recent sessions pertaining to vapor products include House Resolution No. 155 of the 2017 Regular Session and House Resolution No. 109 of the 2018 Regular Session, through which the legislature requested that the Louisiana Department of Health study and report on tax-related and health-related issues associated with vapor products; and

WHEREAS, while the studies resulting from these prior-year Resolutions remain informative and valuable with respect to public health impacts of vapor product use, their findings with respect to taxation were limited; and

WHEREAS, the Louisiana Uniform Local Sales Tax Board and the Louisiana Sales and Use Tax Commission for Remote Sellers are public bodies with expertise in the collection of sales tax from remote sellers and therefore can provide pertinent information and suggestions to the Department of Revenue and its office of alcohol and tobacco control concerning best practices for the collection of sales tax from such sellers; and

WHEREAS, in the interest of protecting public health, developing responsible tax policy, and promoting effective tax system administration, it is appropriate to call for a study of the current landscape of vapor product taxation in this state.

THEREFORE, BE IT RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby urge and request the Department of Revenue and its office of alcohol and tobacco control to conduct a study of state and local taxation of vapor products.

BE IT FURTHER RESOLVED that the study called for in this Resolution shall examine, without limitation, all of the following:

(1) Current methods of tax collection on, and amounts of tax revenue generated from, sales of vapor products, specifically including online sales of such products and sales by retailers that do not purchase the products through wholesalers registered in Louisiana.

(2) Tax policies and best practices to address the problem of underage consumers acquiring vapor products.

(3) Potential changes in regulatory and enforcement mechanisms which could assist the commissioner of alcohol and tobacco control in carrying out this state's policy against access to vapor products by underage consumers.

(4) Suggestions for the collection of state tax from remote sellers as provided by the Louisiana Uniform Local Sales Tax Board and the Louisiana Sales and Use Tax Commission for Remote Sellers.

BE IT FURTHER RESOLVED that in conducting the study called for in this Resolution, the Department of Revenue and its office of alcohol and tobacco control shall engage, collaborate with, and obtain information and recommendations from the Louisiana Sales and Use Tax Commission for Remote Sellers and the Louisiana Uniform Local Sales Tax Board.

BE IT FURTHER RESOLVED that on or before January 8, 2024, the Department of Revenue shall submit to the House Committee on Ways and Means a report of findings and recommendations resulting from the study called for in this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the secretary of the Department of Revenue, the commissioner of alcohol and tobacco control, the chairman and the executive director of the Louisiana Sales and Use Tax Commission for Remote Sellers, and the chairman and the executive director of the Louisiana Uniform Local Sales Tax Board.

---

SPEAKER OF THE HOUSE OF REPRESENTATIVES