

2015 Regular Session

HOUSE BILL NO. 544

BY REPRESENTATIVE GAINES

TAX/TOBACCO TAX: Levies an additional tax on cigarettes

1 AN ACT

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

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:841(B)(6) is hereby enacted 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, and smoking and smokeless tobacco, as defined
11 herein, within the state of Louisiana, according to the classification and rates
12 hereinafter set forth:

13 * * *

14 B. Cigarettes.

15 * * *

16 (6) In addition to the tax levied in Paragraphs (1), (2), (4), and (5) of this
17 Subsection and in Paragraph (3) of this Subsection as continued in effect by Article
18 VII, Section 4.1 of the Constitution of Louisiana, there is hereby levied an additional
19 tax of seven and one-half cents per cigarette.

20 * * *

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 544 Original

2015 Regular Session

Gaines

Abstract: Levies an additional tax of \$1.50 per pack of 20 cigarettes thereby increasing the total tax per pack of 20 cigarettes from 36¢ per pack to \$1.86 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 7.5¢ per cigarette thereby increasing the total tax per pack of 20 cigarettes from 36¢ per pack to \$1.86 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))