

2021 Regular Session

HOUSE BILL NO. 525

BY REPRESENTATIVE HARRIS

TAX/TOBACCO TAX: Excludes certain products from the excise tax levied on tobacco

1 AN ACT

2 To amend and reenact R.S. 47:842(15), relative to taxation of tobacco products; to provide
3 for the definition of smokeless tobacco; to exclude certain products; to provide for
4 effectiveness; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:842(15) is hereby amended and reenacted to read as follows:

7 §842. Definitions

8 As used in this Chapter, the following terms have the meaning ascribed to
9 them in this Section, unless the context clearly indicates otherwise:

10 * * *

11 (15) "Smokeless tobacco" means all smokeless tobacco including but not
12 limited to fine cut, long cut, packed in pouches, snuff, snuff flower, chewing
13 tobacco, cavendish, plugs, twists, shorts, refuse and other scraps, clippings and
14 sweepings of tobacco, and other forms of loose tobacco, articles and products made
15 of tobacco, or a tobacco substitute. Smokeless tobacco shall not mean any product
16 which includes nicotine if the product does not contain any other substance
17 considered to be smokeless tobacco.

18 * * *

19 Section 2. This Act shall become effective upon signature by the governor or, if not
20 signed by the governor, upon expiration of the time for bills to become law without signature

1 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
2 vetoed by the governor and subsequently approved by the legislature, this Act shall become
3 effective on the day following such approval.

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 525 Engrossed

2021 Regular Session

Harris

Abstract: Excludes certain smokeless tobacco products the basis of which is nicotine, from the taxation of smokeless tobacco products.

Present law imposes a tax of 20% of the invoice price of smokeless tobacco.

Present law defines smokeless tobacco as all smokeless tobacco including but not limited to fine cut, long cut, packed in pouches, snuff, snuff flower, chewing tobacco, cavendish, plugs, twists, shorts, refuse and other scrapes, clippings and sweepings of tobacco, and other forms of loose tobacco, articles and products made of tobacco, or a tobacco substitute.

Proposed law retains present law but amends the definition of smokeless tobacco to exclude any product which includes nicotine if the product does not contain any other substance considered to be smokeless tobacco. Further excludes these types of products from the 20% tax imposed in present law.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:842(15))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Ways and Means to the original bill:

1. Remove language referencing pharmaceutical grade nicotine from the exclusion.