SLS 23RS-212 **ORIGINAL** 

2023 Regular Session

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SENATE BILL NO. 224

BY SENATOR ROBERT MILLS

TAX/TAXATION. Provides relative to excise taxes imposed upon certain tobacco products. (gov sig)

AN ACT

2	To amend and reenact R.S. 47:841(A)(1) and to repeal R.S. 47:841(A)(2), relative to
3	tobacco tax; to reduce the tobacco tax rate on all cigars; to repeal the higher tobacco
4	tax rate on cigars; to provide for an effective date; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 47:841(A)(1) is hereby amended and reenacted to read as follows:
7	§841. Imposition of tax
8	There is hereby levied a tax upon the sale, use, consumption, handling, or
9	distribution of all cigars, cigarettes, smoking and smokeless tobacco, and vapor
10	products and electronic cigarettes as defined herein, within the state of Louisiana,
11	according to the classification and rates hereinafter set forth:
12	A. Cigars.
13	(1) Upon cigars, invoiced by the manufacturer at one hundred twenty dollars
14	per thousand or less a tax of eight percent of the invoice price as defined in this
15	Chapter.
16	* * *
17	Section 2. R.S. 47:841(A)(2) is hereby repealed in its entirety.

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Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

Section 3. The provisions of this Act shall be applicable to taxable periods beginning on or after August 1, 2023.

Section 4. This Act shall become effective upon signature by the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved by the legislature, this Act shall become effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Emily W. Toler.

## DIGEST

SB 224 Original

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2023 Regular Session

Robert Mills

<u>Present law</u> levies a tax upon the sale, use, consumption, handling, or distribution of all cigars, cigarettes, smoking and smokeless tobacco, and vapor products and electronic cigarettes as cigars.

Proposed law provides all cigars are taxed at a rate of eight percent of the invoice price.

<u>Present law</u> provides cigars invoiced by the manufacturer at more than \$120 per thousand are taxed at the rate of 20% of the invoice price.

Proposed law repeals present law.

<u>Proposed law</u> shall be applicable to taxable periods beginning on or after August 1, 2023.

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

(Amends R.S. 47:841(A)(1); repeals R.S. 47:841(A)(2))