

2025 Regular Session

HOUSE BILL NO. 325

BY REPRESENTATIVE BRYANT

TAX/TOBACCO TAX: Provides for the rate of tax levied on certain cigars

1 AN ACT

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) Upon cigars invoiced by the manufacturer at more than one hundred
16 twenty dollars per thousand a tax of ~~twenty percent of the invoice price as defined~~
17 ~~in this Chapter~~ fifty cents per cigar.

18 * * *

19 Section 2. The increase in the tax imposed on cigars by this Act shall apply to all
20 cigar products purchased by retail dealers and wholesale dealers on and after July 1, 2025,

1 and shall not apply to stamped products and unused tax stamps in the possession of
 2 wholesale dealers prior to July 1, 2025. All wholesale and retail dealers shall file an
 3 inventory with the secretary of the Department of Revenue of all cigars on hand prior to July
 4 1, 2025. The inventory shall be filed by August 1, 2025. The secretary of the Department
 5 of Revenue shall have authority to adopt rules and regulations as to the filing of the
 6 inventory report.

7 Section 3. This Act shall become effective on July 1, 2025.

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 325 Original

2025 Regular Session

Bryant

Abstract: Changes the tax levied on cigars invoiced by manufacturers at more than \$120 per 1,000 from 20% of the invoice price to 50¢ per cigar.

Present law provides for the levy of a tax on the sale, use, consumption, handling, or distribution of all cigars, cigarettes, smoking and smokeless tobacco, and vapor products and electronic cigarettes. The amount of the tax levied on cigars is as follows:

- (1) On cigars invoiced by manufacturers at \$120 per 1,000 or less, 8% of the invoice price.
- (2) On cigars invoiced by manufacturers at more than \$120 per 1,000, 20% of the invoice price.

Proposed law retains present law as to the tax levied on cigars invoiced by manufacturers at \$120 per 1,000 or less but changes the tax levied on cigars invoiced by manufacturers at more than \$120 per 1,000 from 20% of the invoice price to 50¢ per cigar.

Proposed law provides that the tax imposed by proposed law shall apply to all cigar products purchased by retail dealers and wholesale dealers on and after July 1, 2025, but shall not apply to stamped products and unused tax stamps in the possession of wholesale dealers prior to July 1, 2025. All wholesale and retail dealers shall file an inventory with the secretary of the Dept. of Revenue of all cigars on hand prior to July 1, 2025.

Effective July 1, 2025.

(Amends R.S. 47:841(A)(2))