
DIGEST

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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))