
DIGEST

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HB 487 Original

2015 Regular Session

Leger

Abstract: Levies an additional tax of 72¢ per pack of 20 cigarettes thereby increasing the total tax per pack of 20 cigarettes from 36¢ per pack to \$1.08 per pack and dedicates the monies from the additional tax into the Healthier Louisiana Fund.

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 three and twelve-twentieths of 1¢ per cigarette thereby increasing the total tax per pack of 20 cigarettes from 36¢ per pack to \$1.08 per pack of 20 cigarettes.

Proposed law creates a special fund within the state treasury to be called the "Healthier Louisiana Fund" in which the state treasurer shall annually deposit an amount equal to the avails of the additional tax on cigarettes. Proposed law requires the monies appropriated from the fund to be used solely for the following purposes in the following amounts:

- (1) 17.5 % to be deposited into the La. Medical Assistance Trust Fund to be used solely for the Medical Vendor Program.
- (2) 16.5% to be deposited into the Workforce and Innovation for a Stronger Economy (WISE) fund to be used as provided for in present law.
- (3) 10% to be used by the LSU Board of Supervisors to provide funding for the LSU Health Sciences Center in Shreveport.
- (4) 10% to be used by the LSU Board of Supervisors to provide funding for the LSU Health Sciences Center in New Orleans.
- (5) 10% to be used by the LSU Board of Supervisors to provide funding for the Pennington Biomedical Research Center.
- (6) 10% to be deposited into the MediFund. This appropriation to the MediFund shall be for four consecutive years beginning in FY 2015-2016. Thereafter, the 10% appropriation shall be used by the LSU Board of Supervisors to provide funding for the La. Cancer Research Consortium.

- (7) 10% to be used by the LSU Board of Supervisors to provide funding for the La. Cancer Research Consortium.
- (8) 4% to be used to provide funding for the office of mental health, Department of Health and Hospitals (DHH).
- (9) 3% to be used by the Southern University (SU) Board of Supervisors to provide funding for the SU Agricultural Research and Extension Center.
- (10) 3% to be used by the LSU Board of Supervisors to provide funding for the College of Agriculture's AgCenter.
- (11) 2% to be used by the LSU Board of Supervisors to provide funding for Louisiana's Flagship University in Baton Rouge.
- (12) 1.5% to be used by the Victims Reparations Fund to provide funding for emergency room medical expenses for victims of rape.
- (13) 1.5% to be used by the Mary Bird Perkins - Our Lady of the Lake Cancer Center to provide funding fo cancer research.
- (14) 1% to be used by the Board of Directors for the New Orleans BioInnovation Center to support growing technology companies.

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) and 841.2)