

## HOUSE SUMMARY OF SENATE AMENDMENTS

HB 669

## 2025 Regular Session

# Riser

**TAX/EXCISE:** Continues a portion of the excise tax levied on cigarettes in statute

## Synopsis of Senate Amendments

1. Expands the definition of "smoking tobacco" to include tobacco prepared in any manner to be suitable for smoking in *or as* pipe or cigarette.
2. Adds a definition for "tobacco substitute" which means any non-combustible product intended to be used or consumed as an alternative to tobacco, including products made with nicotine extracted from tobacco or any other source, or synthetic nicotine, and any product which simulates traditional smokeless tobacco whether or not it contains nicotine.
3. Adds a definition for "heated tobacco product" which means a product containing tobacco and producing an inhalable aerosol by use of an electronic device that either heats the tobacco without burning it, or primarily heats rather than burns the tobacco, but does not include cigarettes or tobacco products.

## Digest of Bill as Finally Passed by Senate

Present law provides for the levy of a state excise tax on the sale, use, consumption, handling, or distribution of all cigars, cigarettes, smoking and smokeless tobacco, and vapor products and electronic cigarettes within the state according to the following classifications and rates:

- (1) Cigars - 8% of the invoice price on cigars invoiced by the manufacturer at \$120 per 1,000 or less and 20% of the invoice price on cigars invoiced by the manufacturer at more than \$120 per 1,000.
- (2) Cigarettes - \$1.08 per pack of 20 cigarettes.
- (3) Smoking tobacco - 33% of the invoice price.
- (4) Smokeless tobacco - 20% of the invoice price.
- (5) Vapor products and electronic cigarettes - 15¢ per milliliter of consumable nicotine liquid solution or other material containing nicotine that is depleted as a vapor product is used.

Present constitution continues the levy of 4¢ per cigarette of the total \$1.08 per pack state excise tax levied on cigarettes in the constitution.

Proposed law retains present law with respect to the excise taxes levied on tobacco products and retains present constitution with respect to the continuance of the additional 4¢ excise tax levied on cigarettes but provides for the levy of the additional 4¢ per cigarette excise tax in *statute* in order for all levies of the state excise tax on cigarettes to be statutorily imposed. Proposed law retains the total state excise tax levied on cigarettes at \$1.08 per pack.

Present law provides for definitions for the imposition and administration of the state excise tax levied on tobacco products. Proposed law retains present law but expands the definition of "smoking tobacco" to include tobacco prepared in any manner to be suitable for smoking in *or as* pipe or cigarette and adds a limitation within the definition of "vapor products" that vapor products do not include cigarettes.

Proposed law adds a definition for "tobacco substitute" and defines it to mean any non-combustible product intended to be used or consumed as an alternative to tobacco, including products made with nicotine extracted from tobacco or other source, or synthetic nicotine, and any product which simulates traditional smokeless tobacco whether or not it contains nicotine.

Proposed law adds a definition for "heated tobacco product" and defines it to mean a product containing tobacco and producing an inhalable aerosol by use of an electronic device that either heats or primarily heats the tobacco without burning it but does not include cigarettes or tobacco products.

Proposed law is applicable to taxable periods beginning on or after July 1, 2025.

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

(Amends R.S. 47:841(B) and 842(16) and (20) through (23); Adds R.S. 47:842(24))