

RÉSUMÉ DIGEST

ACT 516 (HB 669)

2025 Regular Session

Riser

Existing 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.

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

New law 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. New law retains the total state excise tax levied on cigarettes at \$1.08 per pack.

Existing law provides for definitions for the imposition and administration of the state excise tax levied on tobacco products. New law expands the definition of "smoking tobacco" to include tobacco prepared in any manner to be suitable for smoking in *or as* pipe or cigarette. New law adds a limitation within the definition of "vapor products" to exclude cigarettes or any product subject to the tax levied on cigarettes pursuant to existing law.

Existing law defines a "cigarette" as any roll for smoking entirely or partially made of tobacco, regardless of its size or shape and regardless of the tobacco being flavored, adulterated or mixed with any other ingredient, where the roll has a wrapper made of any material except tobacco.

New law adds within the definition of "cigarette", any roll for heating pursuant to ordinary conditions of use made wholly or in part of tobacco.

New 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.

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

Effective upon signature of governor (July 7, 2025).

(Amends R.S. 47:841(B) and 842(2), (16), and (20) through (23); Adds R.S. 47:842(24))