

Regular Session, 2013

HOUSE BILL NO. 623

BY REPRESENTATIVE KATRINA JACKSON

TAX/TOBACCO TAX: Increases the state tax on certain tobacco products

1 AN ACT

2 To amend and reenact R.S. 47:841(A)(1) and to enact R.S. 47:841(B)(6), relative to the
3 tobacco tax; to increase the tax on certain cigars and cigarettes; to provide for an
4 effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 47:841(A)(1) is hereby amended and reenacted and R.S.
7 47:841(B)(6) is hereby enacted 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, and smoking and smokeless tobacco, as defined
11 herein, within the state of Louisiana, according to the classification and rates
12 hereinafter set forth:

13 A. Cigars.

14 (1) Upon cigars invoiced by the manufacturer at one hundred twenty dollars
15 per thousand or less a tax of ~~eight~~ fifteen percent of the invoice price as defined in
16 this Chapter.

17 * * *

18 B. Cigarettes.

19 * * *

1 (6) In addition to the taxes levied in Paragraphs (1), (2), (4), and (5) of this
2 Subsection and in Paragraph (3) of this Subsection as continued in effect by Article
3 7, Section 4.1 of the Constitution of Louisiana, there is hereby levied an additional
4 tax of thirty-two twentieths of one cent per cigarette.

5 * * *

6 Section 2. The increase in the cigarette and tobacco taxes levied by the provisions
7 of this Act shall be effective for the period beginning on January 1, 2014.

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)]

Katrina Jackson

HB No. 623

Abstract: Increases the tax on certain cigars and cigarettes.

Present law provides for the levy of a tax upon the sale, use, consumption, handling, or distribution of all cigars, cigarettes, and smoking and smokeless tobacco in La.

Present law provides that the rate of the tax for cigars invoiced by the manufacturer at \$120 per thousand or less shall be 8% of the invoice price and the rate of the tax for cigars invoiced by the manufacturer at more than \$120 per 1,000 shall be 20% of the invoice price.

Proposed law increases the tax on cigars invoiced by the manufacturer at \$120 per 1,000 or less ~~from 8% of the invoice price to 15% of the invoice price.~~

Present law levies a tax on cigarettes at the rate of 36¢ per pack.

Proposed law increases the tax on cigarettes from 36¢ per pack to 68¢ per pack.

Effective Jan. 1, 2014.

(Amends R.S. 47:841(A); Adds R.S. 47:841(B)(6))