

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 for four separate levies of a tax on cigarettes for a total rate of .36¢ per pack. However, authorization for the levy of a tax of four-twentieths of one cent per cigarette is set to terminate on June 30, 2012.

Proposed law would have retained present law but would have removed the June 30, 2012, termination date for levying the tax of four-twentieths of one cent per cigarette, making the levy of this portion of the tax on cigarettes permanent.

Proposed law would have required the revenues derived from the tax imposed pursuant to proposed law to be deposited into the state general fund and be available exclusively for the support of expenditures for the direct provision of health care services which are eligible for federal financial participation. Further would have provided that if insufficient federal financial participation is available to support such services in any fiscal year, these monies may be appropriated to support state programs to provide for the services.

Proposed law would have required the secretary of the Dept. of Revenue, on the last day of Nov. of each year, to provide to the chairman of the JLCB and the commissioner of administration, an official estimate of the amount of state revenues received within the previous 12 months derived from the tax imposed pursuant to proposed law. The estimate would have been utilized by the commissioner of administration in the preparation of the following year's executive budget in which a recommendation shall have been made to appropriate such amount for the purposes provided herein.

(Proposed to amend R.S. 47:841(B)(2) and §4 of Act No. 32 of 2000 R.S. as amended by Act No. 21 of 2002 R.S.); Proposed to add R.S. 47:841(G)

VETO MESSAGE: "House Bill 591 repeals the June 30, 2012 sunset on the 4/20 of one cent tax on cigarettes and makes the tax permanent. I have made a commitment to the taxpayers of Louisiana to oppose all attempts to raise taxes.

For this reason, I have vetoed House Bill No. 591 and hereby return it to the House of Representatives."