

LEGISLATURE OF THE STATE OF IDAHO
Sixty-fourth Legislature Second Regular Session - 2018

IN THE SENATE

SENATE BILL NO. 1294

BY EDUCATION COMMITTEE

AN ACT

RELATING TO TAXATION; AMENDING SECTION 63-2506, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE CIGARETTE TAX; AND AMENDING SECTION 63-2552A, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE TOBACCO TAX.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 63-2506, Idaho Code, be, and the same is hereby amended to read as follows:

63-2506. IMPOSITION OF TAX. (1) On and after July 1, 2005, a tax upon the purchase, storage, use, consumption, handling, distribution or wholesale sale of cigarettes is hereby imposed at the rate of fifty-seven cents (57¢) per package of twenty (20) cigarettes, which tax shall be paid by the wholesaler, and collected by the state tax commission. Beginning July 1, 2014, and every year thereafter, of the tax collected pursuant to this subsection, three million three hundred fifteen thousand dollars (\$3,315,000) shall be subject to appropriation to the public school income fund to be utilized to develop and implement school safety improvements and to facilitate and provide substance abuse prevention programs in the public school system and the Idaho bureau of educational services for the deaf and the blind. Beginning July 1, 2014, and every year thereafter, of the tax collected pursuant to this subsection, three million three hundred fifteen thousand dollars (\$3,315,000) shall be subject to appropriation to the department of juvenile corrections for distribution to the counties to be utilized for county juvenile probation services.

(2) Appropriated funds shall be distributed quarterly to the counties based upon the percentage the population of the county bears to the population of the state as a whole.

(3) The remaining moneys collected and those moneys not appropriated under the provisions of this section shall be distributed as specified in section 63-2520, Idaho Code.

SECTION 2. That Section 63-2552A, Idaho Code, be, and the same is hereby amended to read as follows:

63-2552A. ADDITIONAL TAX IMPOSED -- RATE. (1) In addition to the tax imposed in section 63-2552, Idaho Code, from and after July 1, 1994, there is levied and there shall be collected an additional tax upon the sale, use, consumption, handling, or distribution of all tobacco products in this state at the rate of five percent (5%) of the wholesale sales price of such tobacco products. Such tax shall be imposed at the time the distributor:

(a) Brings, or causes to be brought, into this state from without the state tobacco products for sale;

1 (b) Makes, manufactures, or fabricates tobacco products in this state
2 for sale in this state; or

3 (c) Ships or transports tobacco products to retailers in this state to
4 be sold by those retailers.

5 (2) Each distributor, within twenty (20) days after July 1, 1994, shall
6 file a report with the commission, in such form as the commission may pre-
7 scribe, showing the tobacco products on hand on July 1, 1994, and the amount
8 of tax due thereon. The tax imposed in this subsection shall be due and
9 payable within twenty (20) days after July 1, 1994, and thereafter shall bear
10 interest at the rate of one percent (1%) per month.

11 (3) Fifty percent (50%) of the tax collected pursuant to this section
12 shall be subject to appropriation to the public school income fund to be uti-
13 lized to develop and implement school safety improvements and to facilitate
14 and provide substance abuse prevention programs in the public school sys-
15 tem and the Idaho bureau of educational services for the deaf and the blind,
16 less two hundred thousand dollars (\$200,000) that shall be remitted annually
17 to the Idaho state police to increase toxicology lab capacity in the bureau
18 of forensic services for drug testing of juveniles, and less eighty thou-
19 sand dollars (\$80,000) that shall be remitted to the commission on Hispanic
20 affairs to be used for substance abuse prevention efforts in collaboration
21 with the state department of education. Fifty percent (50%) of the tax col-
22 lected pursuant to this section shall be subject to appropriation to the de-
23 partment of juvenile corrections for distribution quarterly to the counties
24 to be utilized for county juvenile probation services, based upon the per-
25 centage the population of the county bears to the population of the state as
26 a whole. The moneys remitted to the Idaho state police shall be reviewed an-
27 nually and any money in excess to the operations needs of the laboratory for
28 juvenile drug testing will be deposited in the public school income fund for
29 substance abuse prevention programs in the public school system. The labo-
30 ratory may utilize this increased toxicology capacity for adult drug testing
31 to the extent that timely testing for juveniles is not adversely impacted.