

Regular Session, 2013

HOUSE BILL NO. 235

BY REPRESENTATIVE BADON

TAX/TOBACCO TAX: Increases the tax on cigarettes and dedicates a portion of the proceeds of the tax

1 AN ACT

2 To amend and reenact R.S. 47:841.1(A) and to enact R.S. 47:841(B)(6) and 841.2, relative
3 to the tobacco tax; to increase the tax on cigarettes; to provide for the deposit of
4 funds into the Tobacco Tax Health Care Fund; to establish the New Orleans Regional
5 Planning Commission Tobacco Tax Fund as a special treasury fund; to provide for
6 the deposit, use, and investment of monies in the New Orleans Regional Planning
7 Commission Tobacco Tax Fund; to provide for an effective date; and to provide for
8 related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 47:841.1(A) is hereby amended and reenacted and R.S. 47:841(B)(6)
11 and 841.2 are hereby enacted to read as follows:

12 §841. Imposition of tax

13 There is hereby levied a tax upon the sale, use, consumption, handling, or
14 distribution of all cigars, cigarettes, and smoking and smokeless tobacco, as defined
15 herein, within the state of Louisiana, according to the classification and rates
16 hereinafter set forth:

17 * * *

18 B.

19 * * *

1 (B) All unexpended and unencumbered monies in this fund at the end of the
 2 fiscal year shall remain in the fund. The monies in the fund shall be invested by the
 3 state treasurer in the same manner as monies in the state general fund, and all
 4 earnings on investment of the fund shall be deposited into the fund.

5 (C) Monies in the fund shall be subject to annual appropriation solely for use
 6 by the New Orleans Regional Planning Commission for maintenance, landscaping,
 7 grass cutting, trash pickup, and functional and ornamental lighting of the Crescent
 8 City Connection Bridge.

9 Section 2. This Act shall become effective on July 1, 2013; if vetoed by the governor
 10 and subsequently approved by the legislature, this Act shall become effective on July 1,
 11 2013, or on the day following such approval by the legislature, whichever is later.

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)]

Badon

HB No. 235

Abstract: Increases the tax on cigarettes from 36¢ per pack to \$1.41 per pack and dedicates a portion of the revenue to Tobacco Tax Health Care Fund and dedicates a portion to the newly created New Orleans Regional Planning Commission Tobacco Tax Fund for maintenance of the Crescent City Connection Bridge.

Present law (R.S. 47:841) provides for the levy of a tax upon the sale, use, consumption, handling, or distribution of all cigars, cigarettes, and smoking tobacco in La. Present law levies a tax on cigarettes at the rate of 36¢ per pack. Present law provides that 4¢ of such tax expired on June 30, 2012, but present constitution provides for the continuance of the tax. Proposed law retains present law but increases the tax per cigarette by five and five twentieths of one cent per cigarette thereby increasing the tax per pack from 36¢ per pack to \$1.41 per pack.

Present law (R.S. 47:841.1) creates the Tobacco Tax Health Care Fund and dedicates a portion of the cigarette tax collected in present law (twelve twentieths of 1¢ per cigarette) into the fund. Proposed law retains present law and further dedicates 75% of the additional tax levied in proposed law to the Tobacco Tax Health Care Fund.

Proposed law creates the New Orleans Regional Planning Commission Tobacco Tax Fund. Proposed law dedicates 25% of the additional tax levied in proposed law into the fund and provides that the funding shall be used by the New Orleans Regional Planning Commission for maintenance, landscaping, grass cutting, trash pickup, and functional and ornamental lighting of the Crescent City Connection Bridge.

Effective July 1, 2013.

(Amends R.S. 47:841.1(A); Adds R.S. 47:841(B)(6) and 841.2)