

2019 Regular Session

HOUSE BILL NO. 367

BY REPRESENTATIVE JAY MORRIS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TOBACCO/TOBACCO PRODUCTS: Provides relative to the price of cigarettes

1 AN ACT

2 To amend and reenact R.S. 26:924(C)(1)(d), (2)(c), and (3), relative to tobacco products; to
3 provide for the calculation of the minimum price of cigarettes; to provide relative to
4 the markup percent of cigarettes sold; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 26:924(C)(1)(d), (2)(c), and (3) are hereby amended and reenacted
7 to read as follows:

8 §924. Issuance of minimum price of cigarettes

9 * * *

10 C. The minimum wholesale and retail price of all cigarettes sold within
11 Louisiana shall be computed as follows:

12 (1) "Cost to the wholesaler" means the invoice cost or the replacement cost
13 of the merchandise to the wholesaler, whichever is lower:

14 * * *

15 (d) Plus a markup of ~~three~~ four and one-half percent; and

16 * * *

17 (2) "Cost to the retailer" means the invoice cost or the replacement cost of
18 the merchandise to the retailer, whichever is lower:

19 * * *

1 (c) Plus a markup of ~~six~~ seven and one-half percent; and

2 * * *

3 (3) In determining "cost to the retailer" in those cases where the retailer buys
4 at wholesale and receives the wholesalers' profits and discounts on merchandise to
5 be sold at retail, both the wholesale markup of ~~three~~ four and one-half percent and
6 the retail markup of ~~six~~ seven and one-half percent, in the absence of proof of a
7 lesser cost, shall be added to cover a proportionate part of the cost of doing business.

8 * * *

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)]

HB 367 Original

2019 Regular Session

Jay Morris

Abstract: Increases the markup percentage in the calculation of the minimum price of cigarettes sold in La. for wholesalers and retailers.

Present law provides that in the calculation of the minimum price of cigarettes sold in La., the cost to wholesalers shall include a markup of 3% and the cost to retailers shall include a markup of 6%.

Proposed law changes the present law markup percentage in the calculation of the minimum price of cigarettes sold in La. from 3% to 4.5% for wholesalers and from 6% to 7.5% for retailers.

(Amends R.S. 26:924(C)(1)(d), (2)(c), and (3))