

Regular Session, 2011

HOUSE BILL NO. 624

BY REPRESENTATIVE EDWARDS

TAX/TOBACCO TAX: Provides relative to the dedication of a certain portion of the avails of the tax levied on cigarettes

1 AN ACT

2 To amend and reenact R.S. 47:841(B)(5) and 841.1(A) and to repeal R.S. 47:841.1(C)(3),  
3 (4), (5), and (6), relative to tobacco taxes; to provide relative to the taxes levied on  
4 tobacco; to provide with respect to the dedications of the avails of certain taxes  
5 levied on tobacco; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:841(B)(5) and 841.1(A) are hereby amended and reenacted to  
8 read as follows:

9 §841. Imposition of tax

10 \* \* \*

11 B. Cigarettes.

12 \* \* \*

13 (5) In addition to the tax levied in Paragraphs (1), (2), (3), and (4) of this  
14 Subsection, there is hereby levied an additional tax of five-twentieths of one cent per  
15 cigarette. The avails of this tax shall be deposited into the state general fund.

16 \* \* \*

17 §841.1. Tobacco Tax Health Care Fund

18 A. There is hereby created as a special fund in the state treasury the  
19 "Tobacco Tax Health Care Fund", hereinafter referred to as the "fund". After  
20 compliance with the requirements of Article VII, Section 9(B) of the Constitution of  
21 Louisiana relative to the Bond Security and Redemption Fund, and after a sufficient

1 amount is allocated from that fund to pay all of the obligations secured by the full  
 2 faith and credit of the state which become due and payable within any fiscal year, the  
 3 state treasurer shall annually deposit to the fund an amount equal to the avails of the  
 4 tax imposed under the provisions of R.S. 47:841(B)(4) ~~and (5)~~. The monies in this  
 5 fund shall be used solely as provided by this Section and only in the amounts  
 6 appropriated by the legislature.

7 \* \* \*

8 Section 2. R.S. 47:841.1(C)(3), (4), (5), and (6) are hereby repealed in their entirety.

---

### 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)]

---

Edwards

HB No. 624

**Abstract:** Changes the dedication of the avails of the tax of five-twentieths of one cent per cigarette from the Tobacco Tax Health Care Fund to the state general fund.

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 levies a tax on cigarettes at the rate of 36¢ per pack, of which, the avails of five-twentieths of one cent per cigarette is dedicated to the Tobacco Tax Health Care Fund, hereinafter "fund".

Present law provides that after satisfaction of the requirements of the Bond Security and Redemption Fund, the state treasurer shall annually deposit into the fund, subject to annual appropriation by the legislature, an amount equal to the avails of five-twentieths of one cent per cigarette to be used as follows:

- (1) 20% shall be used solely to provide funding for the office of behavioral health, Dept. of Health and Hospitals.
- (2) 20% shall be used solely to provide funding for the La. State University Agricultural Center and the Southern University Agricultural Research and Extension Center, provided that the annual appropriation to Southern University Agricultural Research and Extension Center from this source shall be \$1,000,000 per year.
- (3) 20% shall be used solely to provide funding for the administration and operation of Drug Abuse Resistance Education (D.A.R.E.) programs.
- (4) 40% shall be used solely to provide funding for the office of state police, Dept. of Public Safety and Corrections.

Proposed law changes present law by rededicating the avails of five-twentieths of one cent per cigarette from the Tobacco Tax Health Care Fund to the state general fund.

(Amends R.S. 47:841(B)(5) and 841.1(A); Repeals R.S. 47:841.1(C)(3), (4), (5), and (6))