

2015 Regular Session

SENATE BILL NO. 128

BY SENATOR MURRAY

TAX/LOCAL. Authorizes parishes and municipalities to levy and collect a tobacco tax.
(gov sig)

1 AN ACT

2 To enact Part L of Chapter 2-D of Subtitle II of Title 47 of the Louisiana Revised Statutes
3 of 1950, to be comprised of R.S. 47:339, relative to tobacco tax; to authorize parishes
4 and incorporated municipalities to levy and collect a tax on cigars, cigarettes, and
5 smoking and smokeless tobacco; to provide for the imposition, collection, and other
6 procedures with respect to such tax; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Part L of Chapter 2-D of Subtitle II of Title 47 of the Louisiana Revised
9 Statutes of 1950, comprised of R.S. 47:339, is hereby enacted to read as follows:

10 **PART L. LOCAL OPTION TOBACCO TAX**

11 **§339. Local Option Tobacco Tax**

12 **A. The governing authority of any parish or incorporated municipality**
13 **may levy a tax upon the sale, use, consumption, handling, or distribution of all**
14 **cigars, cigarettes, and smoking and smokeless tobacco, as defined for the state**
15 **tobacco taxes in Chapter 8 of Subtitle II of this Title, that occur within such**
16 **parish or incorporated municipality, provided that there shall be no duplication**
17 **of the tax.**

1 **B. The authority granted in this Section shall not limit any prior taxing**
2 **authority granted to any parish or incorporated municipality or any other**
3 **political subdivision by any other provision of law including any authority**
4 **granted to any other political subdivision to exceed the cited rate limitations.**
5 **The local option tobacco tax authorized by this Section shall be in addition to**
6 **all other taxes which the parish or incorporated municipality is authorized to**
7 **levy and, pursuant to Article VI, Section 29(B) of the Constitution of Louisiana,**
8 **shall not be subject to the combined rate limitation established in Section 29(A)**
9 **of such Article nor to any other rate limitation provided by law except as may**
10 **be provided for in this Section.**

11 **C. The tax shall be imposed by ordinance of the governing authority of**
12 **the parish or incorporated municipality; however, the ordinance imposing the**
13 **tax shall be adopted by the governing authority of the parish or incorporated**
14 **municipality only after the question of the imposition of the tax has been**
15 **submitted to the qualified electors of the parish or incorporated municipality**
16 **at an election conducted in accordance with the general election laws of the state**
17 **of Louisiana, and a majority of those voting in the election shall have voted in**
18 **favor of the proposition to impose such tax.**

19 **D. The tax may be levied on the invoice price of the cigars, cigarettes,**
20 **and smoking and smokeless tobacco in the same manner as is provided for the**
21 **sales and use tax of taxing authorities in this Chapter, or on a per cigarette**
22 **basis. The tax shall be collected in the same manner and according to the same**
23 **procedures provided for the sales and use tax of taxing authorities in this**
24 **Chapter, except that the tax shall only be subject to the same exclusions and**
25 **exemptions as is provided for the state tobacco taxes in Chapter 8 of Subtitle II**
26 **of this Title.**

27 **E.(1)The proceeds of the tax authorized by this Section may be used for**
28 **such lawful purposes as are determined by the governing authority of the parish**
29 **or incorporated municipality, including the funding of a portion of the avails of**

1 the tax into bonds in the manner provided by law.

2 (2) Notwithstanding any other provisions of law to the contrary, in order
 3 to discourage the levy of the tax by both the parish and an incorporated
 4 municipality within the jurisdiction of the incorporated municipality, the parish
 5 and incorporated municipality may enter into an intergovernmental agreement
 6 providing for the collection of the tax and the sharing of the proceeds of the tax
 7 provided for in this Section.

8 Section 2. This Act shall become effective upon signature by the governor or, if not
 9 signed by the governor, upon expiration of the time for bills to become law without signature
 10 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 11 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 12 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part
 of the legislative instrument, were prepared by Riley Boudreaux.

DIGEST

SB 128 Original

2015 Regular Session

Murray

Proposed law authorizes the governing authority of any parish or incorporated municipality to levy a tax upon the sale, use, consumption, handling, or distribution of all cigars, cigarettes, and smoking and smokeless tobacco, as defined for the state tobacco taxes. The tax is to be imposed by ordinance of the governing authority but the ordinance imposing the tax must be submitted for voter approval.

The tax may be levied on the invoice price of the tobacco products or on a per cigarette basis. The tax must be collected in the same manner and according to the same procedures provided for the sales and use tax of taxing authorities in the Uniform Local Sales Tax Code, except that the tax shall only be subject to the same exclusions and exemptions as is provided for the state tobacco taxes.

The proceeds of the tax may be used for any lawful purposes as are determined by the governing authority of the parish or incorporated municipality, including the funding of a portion of the avails of the tax into bonds in the manner provided by law. In order to discourage the levy of the tax by both the parish and an incorporated municipality within the jurisdiction of the incorporated municipality, the parish and incorporated municipality may enter into an intergovernmental agreement providing for the collection of the tax and the sharing of the proceeds of the tax.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 47:339)