
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 680 Session of
2015

INTRODUCED BY DINNIMAN, WILLIAMS, BREWSTER, FONTANA, VANCE AND
COSTA, MARCH 31, 2015

REFERRED TO FINANCE, MARCH 31, 2015

AN ACT

1 Imposing a tax on smokeless tobacco; and providing for
2 definitions.

3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the Smokeless
7 Tobacco Tax Act.

8 Section 2. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Smokeless tobacco." A product containing finely cut,
13 ground, powdered, blended or leaf tobacco made primarily for
14 individual consumption which is intended to be placed in the
15 oral or nasal cavity and not intended to be smoked. The term
16 includes chewing tobacco, dipping tobacco and snuff.

17 "Smokeless tobacco distributor or wholesaler." A person
18 engaged in the business of selling smokeless tobacco that sells,

1 exchanges or distributes smokeless tobacco to retailers,
2 consumers or other wholesalers or distributors in this
3 Commonwealth. The term includes a smokeless tobacco manufacturer
4 that has within this Commonwealth any office, sales house or
5 other place of business.

6 "Wholesale price." The price for which a smokeless tobacco
7 manufacturer sells smokeless tobacco to a smokeless tobacco
8 distributor or wholesaler, exclusive of any discount, rebate or
9 other reduction.

10 Section 3. Imposition and rate of tax on smokeless tobacco.

11 (a) General rule.--Except as set forth in subsection (d), a
12 tax is imposed on smokeless tobacco sold or held for sale in
13 this Commonwealth by a smokeless tobacco distributor or
14 wholesaler to a retailer or consumer. The tax is imposed on the
15 smokeless tobacco wholesale price, regardless of the actual
16 price at which the smokeless tobacco is sold and regardless of
17 whether the smokeless tobacco is sold.

18 (b) Purchase of stamp.--A smokeless tobacco distributor or
19 wholesaler that brings smokeless tobacco or causes smokeless
20 tobacco to be brought into this Commonwealth is liable for the
21 tax imposed by this section. The tax imposed is to be paid by
22 the purchase of stamps as provided in this act. The stamp shall
23 be affixed to or impressed upon each package of smokeless
24 tobacco.

25 (c) Tax.--The tax imposed under this section shall be at the
26 rate of 59.2% of the wholesale price of the smokeless tobacco.

27 (d) Applicability.--It shall be presumed that all smokeless
28 tobacco within this Commonwealth is subject to tax. The burden
29 of proof of exemption under this subsection is on the taxpayer
30 or remitter claiming exemption.

1 Section 4. Effective date.

2 This act shall take effect in 60 days.