

112TH CONGRESS  
1ST SESSION

# H. R. 65

To amend the Internal Revenue Code of 1986 to provide for the taxation of smokeless tobacco products sold as discrete single-use units.

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## IN THE HOUSE OF REPRESENTATIVES

JANUARY 5, 2011

Mr. DOGGETT introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to provide for the taxation of smokeless tobacco products sold as discrete single-use units.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Candy Tobacco Tax  
5 Parity Act of 2011”.

6 **SEC. 2. TAXATION OF DISCRETE SINGLE-USE UNIT SMOKE-**  
7 **LESS TOBACCO.**

8 (a) IN GENERAL.—Subsection (e) of section 5701 of  
9 the Internal Revenue Code of 1986 is amended by adding  
10 at the end the following new paragraph:

1           “(3) DISCRETE SINGLE-USE UNIT PRODUCTS.—  
2           On discrete single-use units, an amount per thou-  
3           sand units equal to the amount per thousand eiga-  
4           rettes in effect under subsection (b)(1) (relating to  
5           small cigarettes).”.

6           (b) MODIFICATION OF SMOKELESS TOBACCO DEFINI-  
7           TION TO INCLUDE DISCRETE SINGLE-USE UNITS.—

8           (1) IN GENERAL.—Paragraph (1) of section  
9           5702(m) of such Code is amended by striking “or  
10          chewing tobacco” and inserting “, chewing tobacco,  
11          or discrete single-use unit”.

12          (2) DISCRETE SINGLE-USE UNITS DEFINED.—  
13          Subsection (m) of section 5702 of such Code is  
14          amended by adding at the end the following new  
15          paragraph:

16          “(4) DISCRETE SINGLE-USE UNIT.—The term  
17          ‘discrete single-use unit’ means any product con-  
18          taining tobacco that—

19                  “(A) is intended or expected to be con-  
20                  sumed without being combusted, and

21                  “(B) is in the form of a lozenge, tablet,  
22                  pill, pouch, dissolvable strip, or other discrete  
23                  single-use or single-dose unit.”.

24          (c) CONFORMING AMENDMENTS.—Subsection (e) of  
25          section 5701 of such Code is amended—

1           (1) by striking “On snuff” in paragraph (1)  
2           and inserting “On snuff not described in paragraph  
3           (3)”, and

4           (2) by striking “On chewing tobacco” in para-  
5           graph (2) and inserting “On chewing tobacco not de-  
6           scribed in paragraph (3)”.

7           (d) EFFECTIVE DATE.—The amendments made by  
8           this section shall apply to articles removed (as defined in  
9           section 5702(j) of the Internal Revenue Code of 1986)  
10          after the date that is 180 days after the date of the enact-  
11          ment of this Act.

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