

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 1339

Short Title: Reduce Cigarette Tax.

(Public)

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Sponsors: Senators McDaniel; Ballantine, Page, Clark, Carrington, Foxx, McKoy, Ledbetter, Horton, Blust, Shaw, Blackmon, Smith, East, Cochrane, Hartsell, Little, Allran, Carpenter, Forrester, Davis, Webster, and Simpson.

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Referred to: Finance.

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May 27, 1996

A BILL TO BE ENTITLED

AN ACT TO REPEAL THE INCREASE IN THE CIGARETTE TAX ENACTED IN 1991.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-113.5 reads as rewritten:

**"§ 105-113.5. Tax on cigarettes.**

A tax is levied on the sale or possession for sale in this State, by a distributor, of all cigarettes at the rate of ~~two and one half mills~~ one mill per individual cigarette.

This tax does not apply to any of the following:

- (1) Sample cigarettes distributed without charge in packages containing five or fewer cigarettes.
- (2) Cigarettes in a package of cigarettes given without charge by the manufacturer of the cigarettes to an employee of the manufacturer who works in a factory where cigarettes are made, if the cigarettes are not taxed by the federal government."

Sec. 2. This act becomes effective July 1, 1996.