## GENERAL ASSEMBLY OF NORTH CAROLINA **SESSION 2007**

Η 1 **HOUSE BILL 2034** 

**Sponsors:** Representatives Luebke, Glazier, Weiss (Primary Sponsors); and Insko.

(Public)

Referred to: Finance.

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Short Title: Tobacco Products Tax Increase.

May 10, 2007 1 A BILL TO BE ENTITLED 2 AN ACT TO INCREASE THE TAX FOR CIGARETTES AND OTHER TOBACCO 3 PRODUCTS. 4 The General Assembly of North Carolina enacts: 5 **SECTION 1.** G.S. 105-113.5 reads as rewritten: 6 **"§ 105-113.5.** (Effective July 1, 2006) Tax on cigarettes. 7 A tax is levied on the sale or possession for sale in this State, by a distributor, of all 8 cigarettes at the rate of one and three fourths cents (1.75¢) two and one-half cents 9 (2.50¢) per individual cigarette." 10 **SECTION 2.** G.S. 105-113.35(a) reads as rewritten: 11 Tax. – An excise tax is levied on tobacco products other than cigarettes at the rate of three percent (3%)twenty percent (20%) of the cost price of the products. This 12 tax does not apply to the following: 13 14

- (1) A tobacco product sold outside the State.
  - A tobacco product sold to the federal government. (2)
- 16 (3) A sample tobacco product distributed without charge."
- 17 **SECTION 3.** This act becomes effective July 1, 2007.