

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE DRH70522-MCx-166D (05/01)

Short Title: Tobacco Products Tax Increase.

(Public)

Sponsors: Representative Luebke.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE TAX FOR CIGARETTES AND OTHER TOBACCO PRODUCTS.

The General Assembly of North Carolina enacts:

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

"§ 105-113.5. (Effective July 1, 2006) 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 ~~one and three-fourths cents (1.75¢)~~ three cents (3¢) per individual cigarette."

SECTION 2. G.S. 105-113.35(a) reads as rewritten:

"(a) Tax. – An excise tax is levied on tobacco products other than cigarettes at the rate of ~~three percent (3%)~~ twenty-four percent (24%) of the cost price of the products.

This tax does not apply to the following:

- (1) A tobacco product sold outside the State.
- (2) A tobacco product sold to the federal government.
- (3) A sample tobacco product distributed without charge."

SECTION 3. This act becomes effective July 1, 2007.