

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 2035

Short Title: Tobacco Products Tax Increase. (Public)

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

Referred to: Finance.

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¢)~~ three cents (3¢) per individual
9 cigarette."

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

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

13 This tax does not apply to the following:

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

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