

Senate Bill No. 593

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(By Senators Stollings, Prezioso, McCabe, Kessler (Mr. President)
and Palumbo)

[Introduced March 21, 2013; referred to the Committee on Health
and Human Resources; and then to the Committee on Finance.]

**FISCAL
NOTE**

A BILL to amend and reenact §11-17-3 of the Code of West Virginia,
1931, as amended, relating to increasing the excise tax on
cigarettes and other tobacco products; and providing for
distribution of the increased revenue.

Be it enacted by the Legislature of West Virginia:

That §11-17-3 of the Code of West Virginia, 1931, as amended,
be amended and reenacted to read as follows:

ARTICLE 17. TOBACCO PRODUCTS EXCISE TAX ACT.

§11-17-3. Levy of tax; ratio; dedication of proceeds.

(a) *Tax on cigarettes.* -- For the purpose of providing revenue
for the General Revenue Fund of the state, an excise tax is hereby
levied and imposed on sales of cigarettes at the rate of ~~55¢~~ \$1.55
on each twenty cigarettes or in like ratio on any part thereof.

1 Only one sale of the same article shall be used in computing the
2 amount of tax due under this subsection.

3 (b) *Tax on tobacco products other than cigarettes.* --
4 ~~Effective January 1, 2002, an~~ An excise tax is hereby levied and
5 imposed on the sale or use of, other than cigarettes, tobacco
6 products at a rate equal to ~~seven percent~~ fifty percent of the
7 wholesale price of each article or item of tobacco product other
8 than cigarettes sold by the wholesaler or subjobber dealer, whether
9 or not sold at wholesale, or if not sold, then at the same rate
10 upon the use by the wholesaler or dealer. Only one sale of the
11 same article shall be used in computing the amount of tax due under
12 this subsection. Revenues received from this tax shall be
13 distributed as follows: Seventy-five percent to the West Virginia
14 Medical Services Fund; one percent to the Civil Contingent Fund;
15 and the balance shall be deposited into the General Revenue Fund.
16 (c) *Effective date.* -- The changes set forth herein to this
17 section and section four of this article shall become effective ~~May~~
18 ~~1, 2003~~ July 1, 2013.

NOTE: The purpose of this bill is to increase the excise tax on cigarettes and other tobacco products. The bill also provides for distribution of the increased revenue.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.