

HB 496 -- Funding for Health Initiatives

Sponsor: Riback Wilson (25)

This bill requires the levying of additional sales taxes on cigarettes and tobacco products. The bill also establishes various funds which will receive revenues generated by the additional sales taxes.

In its main provisions, the bill:

(1) Requires by July 1, 2003, the levying of an additional cigarette tax of two and three quarter cents per cigarette and the levying of an additional tax on tobacco products in the amount of 20% of the manufacturer's invoice price before subtracting discounts and deals;

(2) Requires revenues generated by the additional sales taxes to be appropriated solely for funding the state Medicaid Program and the Missouri Senior Rx Program. The use of this appropriation begins July 1, 2003, and terminates June 30, 2004;

(3) Requires the State Treasurer to deposit all revenues generated from the additional sales taxes into the Health Care Fund, the Life Sciences Fund, and the Tobacco Prevention Fund which are created in the state treasury. The distribution of the funds will begin July 1, 2004. The bill specifies the percentage of revenues deposited into each fund and the uses of the revenues deposited in each fund;

(4) Requires the General Assembly to appropriate the funds generated by the additional taxes. The bill prohibits any unexpired balances in the funds from reverting to the credit of general revenue; and

(5) Contains various requirements for the awarding and receipt of grants and contracts which are funded by revenues deposited in the Life Sciences Fund.

The bill contains an emergency clause.