

HB 521 -- CIGARETTE TAX

SPONSOR: Butz

Currently, a tax is levied upon the sale of cigarettes at an amount equal to eight and one half mills per cigarette, until such time as the General Assembly appropriates an amount equal to 25% of the net Federal Reimbursement Allowance to the Health Initiatives Fund, then the tax will be six and one half mills per cigarette beginning July 1st of the fiscal year immediately after such appropriation.

Beginning January 1, 2027, an additional tax will be levied upon the sale of cigarettes at an amount equal to five mills per cigarette. The revenue generated by this additional tax will be dispersed as specified in the bill.

This bill contains a referendum clause and will not become effective unless approved by a majority of the qualified voters in the state.

This bill is the same as HB 2463 (2024).