
Ways & Means Committee

HB 2019

Brief Description: Concerning the deposit of the additional cigarette tax.

Sponsors: Representative Dunshee.

Brief Summary of Bill

- Moves the \$0.60 per pack cigarette tax that is deposited in the Education Legacy Trust Account to the State General Fund.

Hearing Date: 3/30/11

Staff: Rick Peterson (786-7150).

Background:

The cigarette tax is added directly to the price of cigarettes before the sales tax is applied. The cigarette tax is due from the first person who sells, uses, consumes, handles, possesses, or distributes the cigarettes in the state. The cigarette tax rate is \$3.025 per pack of 20 cigarettes. The taxpayer pays the cigarette tax by purchasing cigarette tax stamps that are placed on cigarette packs.

Since July 1, 2009, all cigarette taxes have been deposited in the State General Fund, except for the \$0.60 per pack tax that is deposited in the Education Legacy Trust Account.

Summary of Bill:

Beginning July 1, 2010, the \$0.60 per pack cigarette tax that is deposited in the Education Legacy Trust Account is deposited in the State General Fund.

Appropriation: None.

Fiscal Note: Available.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Effective Date: The bill contains an emergency clause and takes effect immediately.