

HOUSE BILL NO. HB0062

Tobacco taxes.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; providing for an
2 increase in cigarette taxes as specified; providing for
3 distribution; providing conforming amendments; and
4 providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 39-18-103(a)(i) through (iv) and
9 (c)(i) through (iv), 39-18-104(a) and (b), 39-18-107(b)(i)
10 and (ii) and 39-18-111(a)(intro), (b) and by creating a new
11 subsection (c) are amended to read:

12

13 **39-18-103. Imposition.**

14

15 (a) Taxable event. The following event shall
16 constitute a taxable event under this article:

17

1 (i) There is levied and shall be collected and
2 paid to the department an excise tax ~~of six-tenths of a~~
3 ~~cent (\$.006)~~ at the rate imposed by W.S. 39-18-104(a) upon
4 the sale of each cigarette sold by wholesalers;

5
6 (ii) There is levied and shall be paid to the
7 department an excise tax ~~of six-tenths of a cent (\$.006)~~ at
8 the rate imposed by W.S. 39-18-104(b) upon the use or
9 storage by consumers of cigarettes in Wyoming but only if
10 the tax imposed by paragraph (i) of this subsection has not
11 been paid;

12
13 (iii) In addition to the other taxes imposed by
14 this subsection, there is levied and assessed upon cigars,
15 snuff and other tobacco products purchased or imported into
16 this state by wholesalers for resale, except cigarettes
17 taxed under this subsection, an excise tax at the rate ~~of~~
18 ~~twenty percent (20%)~~ imposed by W.S. 39-18-104(c) of the
19 wholesale purchase price at which the tobacco products are
20 purchased by wholesalers from manufacturers;

21
22 (iv) The tax imposed by paragraph (iii) of this
23 subsection shall also be imposed upon the use or storage by
24 consumers of cigars, snuff and other tobacco products in

1 this state, and upon those consumers, at the rate ~~of ten~~
2 ~~percent (10%)~~ imposed by W.S. 39-18-104(d) of the retail
3 price of the cigar, snuff or other tobacco product. This
4 tax shall not apply if the tax imposed by paragraph (iii)
5 of this subsection has been paid.

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7 (c) Taxpayer. The following taxpayers are liable for
8 the tax imposed by this article:

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10 (i) There is levied and shall be collected and
11 paid to the department an excise tax ~~of six-tenths of a~~
12 ~~cent (\$.006)~~ at the rate imposed by W.S. 39-18-104(a) upon
13 the sale of each cigarette sold by wholesalers;

14

15 (ii) There is levied and shall be paid to the
16 department an excise tax ~~of six-tenths of a cent (\$.006)~~ at
17 the rate imposed by W.S. 39-18-104(b) upon the use or
18 storage by consumers of cigarettes in Wyoming but only if
19 the tax imposed by paragraph (i) of this subsection has not
20 been paid;

21

22 (iii) In addition to the other taxes imposed by
23 this subsection, there is levied and assessed upon cigars,
24 snuff and other tobacco products purchased or imported into

1 this state by wholesalers for resale, except cigarettes
2 taxed under this subsection, an excise tax at the rate ~~of~~
3 ~~twenty percent (20%)~~ imposed by W.S. 39-18-104(c) of the
4 wholesale purchase price at which the tobacco products are
5 purchased by wholesalers from manufacturers;

6
7 (iv) The tax imposed by paragraph (iii) of this
8 subsection shall also be imposed upon the use or storage by
9 consumers of cigars, snuff and other tobacco products in
10 this state, and upon those consumers, at the rate ~~of ten~~
11 ~~percent (10%)~~ imposed by W.S. 39-18-104(d) of the retail
12 price of the cigar, snuff or other tobacco product. This
13 tax shall not apply if the tax imposed by paragraph (iii)
14 of this subsection has been paid.

15
16 **39-18-104. Taxation rate.**

17
18 (a) There is levied and shall be collected and paid
19 to the department an excise tax ~~of six-tenths of a cent~~
20 ~~(\$.006)~~ upon the sale of each cigarette sold by
21 wholesalers as follows:

22
23 (i) Six-tenths of a cent (\$.006); and
24

1 (ii) Two and four-tenths cents (\$.024).

2

3 (b) There is levied and shall be paid to the
4 department an excise tax ~~of six-tenths of a cent (\$.006)~~
5 upon the use or storage by consumers of cigarettes in
6 Wyoming but only if the tax imposed by subsection (a) of
7 this section has not been paid. as follows:

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9 (i) Six-tenths of a cent (\$.006); and

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11 (ii) Two and four-tenths cents (\$.024).

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13 **39-18-107. Compliance; collection procedures.**

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15 (b) Payment. The following shall apply:

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17 (i) There is levied and shall be collected and
18 paid to the department an excise tax ~~of six-tenths of a~~
19 ~~cent (\$.006)~~ at the rate imposed by W.S. 39-18-104(a) upon
20 the sale of each cigarette sold by wholesalers;

21

22 (ii) There is levied and shall be paid to the
23 department an excise tax ~~of six-tenths of a cent (\$.006)~~ at
24 the rate imposed by W.S. 39-18-104(b) upon the use or

1 storage by consumers of cigarettes in Wyoming but only if
2 the tax imposed by paragraph (i) of this subsection has not
3 been paid;

4
5 **39-18-111. Distribution.**

6
7 (a) ~~Except as provided by subsection (b) of this~~
8 ~~section,~~ Thirty-three and one-third percent (33 1/3%) of
9 the taxes collected pursuant to ~~this article~~ W.S.
10 39-18-104(a)(i) and (b)(i) shall be distributed to
11 incorporated cities and towns and to boards of county
12 commissioners in the proportion the cigarette taxes derived
13 from sales within each incorporated city or town or county
14 bears to total cigarette taxes collected. The remainder
15 shall be transferred to the state treasurer who shall
16 distribute it as follows:

17
18 (b) The revenue received from the tax imposed by W.S.
19 ~~39-18-103(a)(iii) and (iv)~~ 39-18-104(c) and (d) shall be
20 deposited in the general fund.

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22 (c) The revenue received from the tax imposed by W.S.
23 39-18-104(a)(ii) and (b)(ii) shall be transferred to the
24 state treasurer who shall distribute it as follows:

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(i) The first twenty-five million dollars (\$25,000,000.00) collected shall be deposited into the Wyoming tobacco settlement trust fund account established under W.S. 9-4-1203(a);

(ii) Except as provided by paragraph (iii) of this subsection, the remainder shall be transferred into the Wyoming tobacco settlement trust fund income account established under W.S. 9-4-1203(b) in an amount certified by the department of health not later than July 1 of each year necessary to fund the substance abuse control plan established by W.S. 9-2-2701 et seq.;

(iii) After the funding of the substance abuse program required by paragraph (ii) of this subsection, any remaining funds shall be deposited into the general fund.

Section 2. This act is effective July 1, 2003.

(END)