

# WEST VIRGINIA LEGISLATURE

## 2020 REGULAR SESSION

Introduced

### House Bill 4650

FISCAL  
NOTE

BY DELEGATES J. JEFFRIES, KUMP, DEAN, WILSON AND

STEELE

[Introduced February 03, 2020; Referred to the  
Committee on Finance]

1 A BILL to amend and reenact §11-17-3 of the Code of West Virginia, 1931, as amended, relating  
2 to lowering the excise tax on cigarettes.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 17. TOBACCO PRODUCTS EXCISE TAX ACT.**

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

1 (a) *Tax on cigarettes and tobacco products other than cigarettes.* — For the purpose of  
2 providing revenue for the General Revenue Fund of the state, an excise tax is hereby levied and  
3 imposed on sales of cigarettes and tobacco products other than cigarettes.

4 (b) *Tax rate on cigarettes.* — ~~Effective May 1, 2003, the excise tax rate levied and imposed~~  
5 ~~on the sale of cigarettes is 55 cents on each twenty cigarettes or in like ratio on any part thereof:~~  
6 ~~*Provided, That* On and after July 1, 2016, the excise tax rate levied and imposed on the sale of~~  
7 ~~cigarettes is \$1.20 on each 20 cigarettes or in like ratio on any part thereof: *Provided, That on*~~  
8 ~~and after July 1, 2020, the excise tax rate levied and imposed on the sales of cigarettes is 30~~  
9 ~~cents on each twenty cigarettes or in like ration any part thereof. Only one sale of the same article~~  
10 ~~shall be used in computing the amount of tax due under this subsection.~~

11 (c) *Tax on tobacco products other than cigarettes.* — Effective January 1, 2002, the excise  
12 tax levied and imposed on the sales or use of tobacco products other than cigarettes at the rate  
13 equal to seven percent of the wholesale price of each article or item of tobacco products other  
14 than cigarettes sold by the wholesaler or sub-jobber dealer, whether or not sold at wholesale, or  
15 if not sold, then at the same rate upon the use by the wholesaler or dealer: *Provided, That on and*  
16 *after July 1, 2016, the excise tax rate levied and imposed on the sales or use of tobacco products*  
17 *other than cigarettes is at the rate equal to 12 percent of the wholesale price of each article or*  
18 *item of tobacco products other than cigarettes sold by the wholesaler or sub-jobber dealer,*  
19 *whether or not sold at wholesale, or if not sold, then at the same rate upon the use by the*  
20 *wholesaler or dealer. Only one sale of the same article shall be used in computing the amount of*

21 tax due under this subsection.

22 (d) *Effective date of amendments.* — ~~Amendments to this section enacted in the year 2003~~  
23 ~~apply in determining tax imposed under this article from May 1, 2003, through June 30, 2016.~~  
24 Amendments to this section enacted in the year 2016 apply in determining tax imposed under this  
25 article effective on and after July 1, 2016. Amendments to this section enacted in the year 2020  
26 apply in determining the tax imposed under this article effective on and after July 1, 2020.

NOTE: The purpose of this bill is to lower the excise tax rate on the sale of cigarettes.

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