

By: Pena

H.B. No. 2022

A BILL TO BE ENTITLED

AN ACT

relating to the imposition of a tax on rolling paper intended to be used to smoke tobacco; providing penalties.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle E, Title 2, Tax Code, is amended by adding Chapter 165 to read as follows:

CHAPTER 165. ROLLING PAPERS

Sec. 165.001. SALES TAX. (a) A tax is imposed on each sale at retail of a pack, box, or other container of rolling papers intended to be used to smoke a tobacco product.

(b) The tax rate is \$1.00 for each pack, box, or container.

(c) The tax imposed under this chapter is in addition to the tax imposed under Chapter 151. The tax imposed by this chapter does not apply to a sale unless the tax imposed under Chapter 151 applies to the sale.

Sec. 165.002. APPLICATION OF OTHER PROVISIONS OF CODE. (a) Except as provided by this chapter:

(1) the tax imposed by this chapter is administered, imposed, collected, and enforced in the same manner as the tax under Chapter 151 is administered, imposed, collected, and enforced; and

(2) the provisions of Chapter 151 applicable to the sales tax imposed under Subchapter C, Chapter 151, apply to the tax imposed by this chapter.

(b) A change in the law relating to the taxation of the sale

1 of rolling papers intended to be used to smoke a tobacco product  
2 under Chapter 151 also applies to the tax imposed by this chapter.

3 Sec. 165.003. ALLOCATION OF REVENUE. The revenue from  
4 taxes imposed by this chapter, other than penalties and interest,  
5 is allocated as follows:

6 (1) 50 percent may be appropriated only to the Texas  
7 Commission on Alcohol and Drug Abuse to accomplish the purposes of  
8 that commission; and

9 (2) 50 percent shall be deposited to the credit of the  
10 general revenue fund.

11 SECTION 2. (a) This Act takes effect July 1, 2003, if it  
12 receives a vote of two-thirds of all the members elected to each  
13 house, as provided by Section 39, Article III, Texas Constitution,  
14 for an effective date before the 91st day after the last day of the  
15 legislative session.

16 (b) This Act takes effect October 1, 2003, if it does not  
17 receive a vote of two-thirds of all the members elected to each  
18 house, as provided by Section 39, Article III, Texas Constitution,  
19 for an effective date before the 91st day after the last day of the  
20 legislative session.