

By: Ritter

H.B. No. 2599

A BILL TO BE ENTITLED

AN ACT

relating to the definition of chewing tobacco for purposes of the taxes imposed on cigars and other tobacco products and to the rate of the tax imposed on chewing tobacco.

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

SECTION 1. Section 155.001, Tax Code, is amended by adding Subdivision (1-a) and amending Subdivision (15) to read as follows:

(1-a) "Chewing tobacco" means any leaf tobacco that is not snuff and that is:

(A) suitable for chewing, including Twist, plug, and scrap; or

(B) not intended to be smoked.

(15) "Tobacco product" means:

(A) a cigar;

(B) smoking tobacco, including granulated, plug-cut, crimp-cut, ready-rubbed, and any form of tobacco suitable for smoking in a pipe or as a cigarette;

(C) chewing tobacco~~[, including Cavendish, Twist, plug, scrap, and any kind of tobacco suitable for chewing];~~

(D) snuff or other preparations of pulverized tobacco; or

(E) an article or product that is made of tobacco or a tobacco substitute and that is not a cigarette.

SECTION 2. Sections 155.0211(b), (b-1), and (b-2), Tax

1 Code, are amended to read as follows:

2 (b) Except as provided by Subsection (c), the tax rate for
3 each can or package of:

4 (1) a tobacco product other than cigars and chewing
5 tobacco is \$1.22 per ounce and a proportionate rate on all
6 fractional parts of an ounce; and

7 (2) a tobacco product other than cigars that is
8 chewing tobacco is 80 cents per ounce and a proportionate rate on
9 all fractional parts of an ounce.

10 (b-1) Notwithstanding Subsection (b) and except as provided
11 by Subsection (c), for the state fiscal year beginning September 1,
12 2012, the tax rate for each can or package of a tobacco product
13 other than cigars and chewing tobacco is \$1.19 per ounce and a
14 proportionate rate on all fractional parts of an ounce. This
15 subsection expires December 1, 2013.

16 (b-2) Notwithstanding Subsection (b) and except as provided
17 by Subsection (c), for the state fiscal year beginning September 1,
18 2011, the tax rate for each can or package of a tobacco product
19 other than cigars and chewing tobacco is \$1.16 per ounce and a
20 proportionate rate on all fractional parts of an ounce. This
21 subsection expires December 1, 2012.

22 SECTION 3. Section 155.0211(b-3), Tax Code, is repealed.

23 SECTION 4. The change in law made by this Act does not
24 affect tax liability accruing before the effective date of this
25 Act. That liability continues in effect as if this Act had not been
26 enacted, and the former law is continued in effect for the
27 collection of taxes due and for civil and criminal enforcement of

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1 the liability for those taxes.

2 SECTION 5. This Act takes effect September 1, 2011.