

Enrolled
Senate Joint Resolution 4

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Secretary of State Bill Bradbury)

Be It Resolved by the Legislative Assembly of the State of Oregon:

PARAGRAPH 1. The Constitution of the State of Oregon is amended by creating a new section 15 to be added to and made a part of Article IX, such section to read:

SECTION 15. (1) In addition to and not in lieu of any other tax:

(a) A tax equal to 42.25 mills is imposed upon the consumption of each cigarette in this state;

(b) A tax equal to 30 percent of the wholesale price of each cigar is imposed upon the consumption of each cigar in this state; and

(c) A tax equal to 30 percent of the wholesale price of each other tobacco product is imposed upon the consumption of each other tobacco product in this state.

(2) For purposes of subsection (1) of this section, consumption occurs when a person in this state purchases or uses cigarettes, cigars or other tobacco products, other than purchases made for the purpose of reselling the cigarettes, cigars or other tobacco products to another person.

(3) Notwithstanding subsection (1) of this section:

(a) The Legislative Assembly may exempt from the taxes imposed under subsection (1) of this section cigarettes, cigars and tobacco products that are exempt from taxation under Oregon law on the effective date of this section; and

(b) The Legislative Assembly may provide that the tax imposed under paragraph (b) of subsection (1) of this section, when combined with existing taxes on cigars, may not exceed 50 cents per cigar.

(4) The Legislative Assembly may enact laws to facilitate administration of the taxes imposed under subsection (1) of this section, including but not limited to laws:

(a) Defining terms used in this section.

(b) Prescribing how the taxes imposed under subsection (1) of this section will be administered and enforced.

(c) Requiring that the taxes imposed under subsection (1) of this section be prepaid by a distributor upon distribution of the cigarettes, cigars or other tobacco products for consumption and be subsequently collected from the consumer.

(5) Revenues from the taxes imposed under subsection (1) of this section are dedicated to providing health care to children, low-income adults and other medically underserved Oregonians and to tobacco use prevention and education.

(6) The taxes imposed under subsection (1) of this section apply to:

(a) Distributions of cigarettes, cigars and other tobacco products for consumption on or after January 1, 2008; and

(b) Cigarettes that are in this state for the purpose of sale to another person as of January 1, 2008.

PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the people for their approval or rejection at a special election held throughout this state as provided in chapter __, Oregon Laws 2007 (Enrolled House Bill 2640).

Adopted by Senate June 13, 2007

Readopted by Senate June 25, 2007

Secretary of Senate

President of Senate

Adopted by House June 23, 2007

Speaker of House