

SENATE AMENDMENTS TO SENATE JOINT RESOLUTION 4

By COMMITTEE ON RULES

June 6

1 Delete lines 3 through 15 of the printed joint resolution and insert:

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

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

5 **“(a) A tax equal to 42.25 mills is imposed upon the distribution of each cigarette in this**
6 **state;**

7 **“(b) A tax equal to 30 percent of the wholesale price of each cigar is imposed upon the**
8 **distribution of each cigar in this state; and**

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

11 **“(2) For purposes of subsection (1) of this section, distribution of cigarettes, cigars or**
12 **other tobacco products occurs when the taxes imposed under this section have not been paid**
13 **on cigarettes, cigars or other tobacco products and the cigarettes, cigars or other products**
14 **are:**

15 **“(a) Brought or transported into this state for sale, use or consumption in this state;**

16 **“(b) Made, manufactured or fabricated in this state for sale, use or consumption in this**
17 **state;**

18 **“(c) Shipped or transported to retail dealers in this state for sale, use or consumption**
19 **by those retail dealers;**

20 **“(d) Stored in this state for sale, use or consumption in this state;**

21 **“(e) Sold in this state; or**

22 **“(f) Possessed by a consumer in this state.**

23 **“(3) Notwithstanding subsection (1) of this section:**

24 **“(a) Cigarettes transported into this state in quantities of less than 200 cigarettes that**
25 **are used or possessed by the first person in possession of those cigarettes are exempt from**
26 **the tax imposed under paragraph (a) of subsection (1) of this section; and**

27 **“(b) The Legislative Assembly may provide that the tax imposed under paragraph (b) of**
28 **subsection (1) of this section, when combined with existing taxes on cigars, may not exceed**
29 **50 cents per cigar.**

30 **“(4) The Legislative Assembly may enact laws to facilitate administration of the taxes**
31 **imposed under this section, including but not limited to laws defining terms used in this**
32 **section.**

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

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

2 “(a) Distributions of cigarettes, cigars and other tobacco products occurring on or after
3 January 1, 2008; and

4 “(b) Cigarettes, cigars and other tobacco products that are in this state and in the pos-
5 session of a person, other than a consumer for purposes of consumption, as of January 1,
6 2008.

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8 “PARAGRAPH 2. The amendment proposed by this resolution shall be submitted to the
9 people for their approval or rejection at a special election held throughout this state as
10 provided in section _____, chapter _____, Oregon Laws 2007 (Enrolled _____ Bill _____) (LC
11 _____).”

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