

House Bill 2162

Introduced and printed pursuant to House Rule 12.00. Pre-session filed (at the request of House Interim Committee on Revenue)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Removes prohibition against local government imposition of taxes on cigarettes and tobacco products.

Applies to cigarettes and tobacco products distributed on or after effective date of Act.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to local government tobacco taxes; creating new provisions; amending ORS 323.030 and
3 323.640; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 323.030 is amended to read:

6 323.030. (1) Every distributor shall pay a tax upon distributions of cigarettes at the rate of 29
7 mills for the distribution of each cigarette in this state.

8 (2) The taxes imposed by ORS 323.005 to 323.482 are in lieu of all other state[, *county or mu-*
9 *nicipal*] taxes on the sale or use of cigarettes.

10 (3) Any cigarette with respect to which a tax has been prepaid under ORS 323.068 or has oth-
11 erwise once been imposed under ORS 323.005 to 323.482 is not subject upon a subsequent distrib-
12 ution to the taxes imposed by ORS 323.005 to 323.482.

13 (4) In addition to and not in lieu of any other tax imposed under ORS 323.005 to 323.482, every
14 distributor shall pay a tax upon distributions of cigarettes at the rate of 6.5 mills for the distribution
15 of each cigarette in this state.

16 **SECTION 2.** ORS 323.030, as amended by section 15, chapter 5, Oregon Laws 2013 (special
17 session), is amended to read:

18 323.030. (1) Every distributor shall pay a tax upon distributions of cigarettes at the rate of 29
19 mills for the distribution of each cigarette in this state.

20 (2) The taxes imposed by ORS 323.005 to 323.482 are in lieu of all other state[, *county or mu-*
21 *nicipal*] taxes on the sale or use of cigarettes.

22 (3) Any cigarette with respect to which a tax has been prepaid under ORS 323.068 or has oth-
23 erwise once been imposed under ORS 323.005 to 323.482 is not subject upon a subsequent distrib-
24 ution to the taxes imposed by ORS 323.005 to 323.482.

25 (4) In addition to and not in lieu of any other tax imposed under ORS 323.005 to 323.482, every
26 distributor shall pay a tax upon distributions of cigarettes at the rate of seven mills for the dis-
27 tribution of each cigarette in this state.

28 **SECTION 3.** ORS 323.030, as amended by sections 15 and 16, chapter 5, Oregon Laws 2013
29 (special session), is amended to read:

30 323.030. (1) Every distributor shall pay a tax upon distributions of cigarettes at the rate of 29

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 mills for the distribution of each cigarette in this state.

2 (2) The taxes imposed by ORS 323.005 to 323.482 are in lieu of all other state[, *county or mu-*
3 *municipal*] taxes on the sale or use of cigarettes.

4 (3) Any cigarette with respect to which a tax has been prepaid under ORS 323.068 or has oth-
5 erwise once been imposed under ORS 323.005 to 323.482 is not subject upon a subsequent distrib-
6 ution to the taxes imposed by ORS 323.005 to 323.482.

7 (4) In addition to and not in lieu of any other tax imposed under ORS 323.005 to 323.482, every
8 distributor shall pay a tax upon distributions of cigarettes at the rate of 7.5 mills for the distribution
9 of each cigarette in this state.

10 **SECTION 4.** ORS 323.640 is amended to read:

11 323.640. (1) The taxes imposed by ORS 323.505 are in lieu of all other state[, *county or*
12 *municipal*] taxes on the sale or use of tobacco products.

13 (2) Any tobacco product with respect to which a tax has once been imposed under ORS 323.505
14 shall not be subject upon a subsequent distribution to the taxes imposed by ORS 323.505.

15 **SECTION 5.** **The amendments to ORS 323.030 and 323.640 by sections 1 to 4 of this 2015**
16 **Act apply to cigarettes and tobacco products distributed on or after the effective date of this**
17 **2015 Act.**

18 **SECTION 6.** **This 2015 Act takes effect on the 91st day after the date on which the 2015**
19 **regular session of the Seventy-eighth Legislative Assembly adjourns sine die.**

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