

**REVENUE IMPACT OF
PROPOSED LEGISLATION
80th Oregon Legislative Assembly
2019 Regular Session
Legislative Revenue Office**

Bill Number:	HB 2270 - 14
Revenue Area:	Tobacco Tax
Economist:	Dae Baek
Date:	6/13/2019

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Increases the tax rate on cigarette distributions. Dedicates taxes from the additional cigarette tax rate to state's medical assistance program including mental health services, and various programs addressing tobacco and nicotine use related health issues. Amends expense payment provisions in cigarette tax administration and enforcement. Prescribes a floor tax and dedicates such tax to the Oregon Health Authority Fund. Includes little cigars in the definition of cigarettes. Adds to statutes the definition of inhalant delivery system for the purpose of taxing the system as tobacco product. Dedicates taxes from inhalant delivery systems to state's medical assistance program including mental health services, and various programs addressing tobacco and nicotine use related health issues. Removes the 50-cent cap on cigar tax. Makes the sale of cigarettes in packages with fewer than 20 cigarettes illegal. Makes the sale of cigars illegal unless the wholesale price of the individual cigar exceeds \$3. Applies new cigarette tax and other tobacco products tax on or after January 1, 2021. Specifies reporting and information sharing mechanism. Submits this act to the next general election for approval or rejection.

Revenue Impact:

This measure has a subsequent referral to the Joint Committee on Tax Expenditures. A detailed analysis will be done when the bill reaches the committee.

Further Analysis Required