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# A BILL FOR AN ACT

RELATING TO TOBACCO PRODUCTS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Section 245-1, Hawaii Revised Statutes, is  
2 amended as follows:

3           1. By adding a new definition to be appropriately  
4 inserted and to read:

5           "Moist snuff" means any finely cut, ground, or powdered  
6 tobacco that is not intended to be smoked, but shall not include  
7 any finely cut, ground, or powdered tobacco that is intended to  
8 be placed in the nasal cavity."

9           2. By amending the definition of "tobacco products" to  
10 read:

11           "Tobacco products" means tobacco in any form, other than  
12 cigarettes or little cigars, that is prepared or intended for  
13 consumption or for personal use by humans, including large  
14 cigars and any substitutes thereof other than cigarettes that  
15 bear the semblance thereof[  ]; snuff, including moist snuff;  
16 chewing or smokeless tobacco[  ]; and smoking or pipe tobacco."

17           SECTION 2. Section 245-3, Hawaii Revised Statutes, is  
18 amended by amending subsection (a) to read as follows:



1           "(a) Every wholesaler or dealer, in addition to any other  
2 taxes provided by law, shall pay for the privilege of conducting  
3 business and other activities in the State:

4           (1) An excise tax equal to 5.00 cents for each cigarette  
5 sold, used, or possessed by a wholesaler or dealer  
6 after June 30, 1998, whether or not sold at wholesale,  
7 or if not sold then at the same rate upon the use by  
8 the wholesaler or dealer;

9           (2) An excise tax equal to 6.00 cents for each cigarette  
10 sold, used, or possessed by a wholesaler or dealer  
11 after September 30, 2002, whether or not sold at  
12 wholesale, or if not sold then at the same rate upon  
13 the use by the wholesaler or dealer;

14           (3) An excise tax equal to 6.50 cents for each cigarette  
15 sold, used, or possessed by a wholesaler or dealer  
16 after June 30, 2003, whether or not sold at wholesale,  
17 or if not sold then at the same rate upon the use by  
18 the wholesaler or dealer;

19           (4) An excise tax equal to 7.00 cents for each cigarette  
20 sold, used, or possessed by a wholesaler or dealer  
21 after June 30, 2004, whether or not sold at wholesale,



1 or if not sold then at the same rate upon the use by  
2 the wholesaler or dealer;

3 (5) An excise tax equal to 8.00 cents for each cigarette  
4 sold, used, or possessed by a wholesaler or dealer on  
5 and after September 30, 2006, whether or not sold at  
6 wholesale, or if not sold then at the same rate upon  
7 the use by the wholesaler or dealer;

8 (6) An excise tax equal to 9.00 cents for each cigarette  
9 sold, used, or possessed by a wholesaler or dealer on  
10 and after September 30, 2007, whether or not sold at  
11 wholesale, or if not sold then at the same rate upon  
12 the use by the wholesaler or dealer;

13 (7) An excise tax equal to 10.00 cents for each cigarette  
14 sold, used, or possessed by a wholesaler or dealer on  
15 and after September 30, 2008, whether or not sold at  
16 wholesale, or if not sold then at the same rate upon  
17 the use by the wholesaler or dealer;

18 (8) An excise tax equal to 13.00 cents for each cigarette  
19 sold, used, or possessed by a wholesaler or dealer on  
20 and after July 1, 2009, whether or not sold at  
21 wholesale, or if not sold then at the same rate upon  
22 the use by the wholesaler or dealer;



- 1           (9) An excise tax equal to 11.00 cents for each little  
2           cigar sold, used, or possessed by a wholesaler or  
3           dealer on and after October 1, 2009, whether or not  
4           sold at wholesale, or if not sold then at the same  
5           rate upon the use by the wholesaler or dealer;
- 6           (10) An excise tax equal to 15.00 cents for each cigarette  
7           or little cigar sold, used, or possessed by a  
8           wholesaler or dealer on and after July 1, 2010,  
9           whether or not sold at wholesale, or if not sold then  
10          at the same rate upon the use by the wholesaler or  
11          dealer;
- 12          (11) An excise tax equal to 16.00 cents for each cigarette  
13          or little cigar sold, used, or possessed by a  
14          wholesaler or dealer on and after July 1, 2011,  
15          whether or not sold at wholesale, or if not sold then  
16          at the same rate upon the use by the wholesaler or  
17          dealer;
- 18          (12) An excise tax equal to seventy per cent of the  
19          wholesale price of each article or item of tobacco  
20          products, other than large cigars and moist snuff,  
21          sold by the wholesaler or dealer on and after  
22          [~~September 30, 2009,~~] July 1, 2011, whether or not



1 sold at wholesale, or if not sold then at the same  
2 rate upon the use by the wholesaler or dealer; [~~and~~]  
3 (13) An excise tax equal to fifty per cent of the wholesale  
4 price of each large cigar of any length, sold, used,  
5 or possessed by a wholesaler or dealer on and after  
6 September 30, 2009, whether or not sold at wholesale,  
7 or if not sold then at the same rate upon the use by  
8 the wholesaler or dealer[~~-~~]; and

9 (14) An excise tax equal to \$1.60 on each ounce of moist  
10 snuff, assessed proportionately at the like rate on  
11 any fraction of an ounce, sold, used, or possessed by  
12 the wholesaler or dealer, on and after July 1, 2011,  
13 whether or not sold at wholesale, or if not sold, then  
14 at the same rate upon the use by the wholesaler or  
15 dealer.

16 Where the tax imposed has been paid on cigarettes, little  
17 cigars, or tobacco products that thereafter become the subject  
18 of a casualty loss deduction allowable under chapter 235, the  
19 tax paid shall be refunded or credited to the account of the  
20 wholesaler or dealer. The tax shall be applied to cigarettes  
21 through the use of stamps."



1           SECTION 3. Statutory material to be repealed is bracketed  
2 and stricken. New statutory material is underscored.

3           SECTION 4. This Act shall take effect on July 1, 2011.



**Report Title:**

Moist Snuff; Excise Tax

**Description:**

Imposes an excise tax of \$1.60 per ounce of moist snuff.  
Effective July 1, 2011. (SB233 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

