

JAN 15 2014

A BILL FOR AN ACT

RELATING TO HEALTH.

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

1 SECTION 1. Section 245-3, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

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

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

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

16 (3) An excise tax equal to 6.50 cents for each cigarette
17 sold, used, or possessed by a wholesaler or dealer
18 after June 30, 2003, 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 (4) An excise tax equal to 7.00 cents for each cigarette
4 sold, used, or possessed by a wholesaler or dealer
5 after June 30, 2004, whether or not sold at wholesale,
6 or if not sold then at the same rate upon the use by
7 the wholesaler or dealer;
- 8 (5) An excise tax equal to 8.00 cents for each cigarette
9 sold, used, or possessed by a wholesaler or dealer on
10 and after September 30, 2006, 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 (6) An excise tax equal to 9.00 cents for each cigarette
14 sold, used, or possessed by a wholesaler or dealer on
15 and after September 30, 2007, 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 (7) An excise tax equal to 10.00 cents for each cigarette
19 sold, used, or possessed by a wholesaler or dealer on
20 and after September 30, 2008, 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 (8) An excise tax equal to 13.00 cents for each cigarette
2 sold, used, or possessed by a wholesaler or dealer on
3 and after July 1, 2009, whether or not sold at
4 wholesale, or if not sold then at the same rate upon
5 the use by the wholesaler or dealer;

6 (9) An excise tax equal to 11.00 cents for each little
7 cigar sold, used, or possessed by a wholesaler or
8 dealer on and after October 1, 2009, whether or not
9 sold at wholesale, or if not sold then at the same
10 rate upon the use by the wholesaler or dealer;

11 (10) An excise tax equal to 15.00 cents for each cigarette
12 or little cigar sold, used, or possessed by a
13 wholesaler or dealer on and after July 1, 2010,
14 whether or not sold at wholesale, or if not sold then
15 at the same rate upon the use by the wholesaler or
16 dealer;

17 (11) An excise tax equal to 16.00 cents for each cigarette
18 or little cigar sold, used, or possessed by a
19 wholesaler or dealer on and after July 1, 2011,
20 whether or not sold at wholesale, or if not sold then
21 at the same rate upon the use by the wholesaler or
22 dealer;



1 (12) An excise tax equal to seventy per cent of the
2 wholesale price of each article or item of tobacco
3 products, other than large cigars, sold by the
4 wholesaler or dealer on and after September 30, 2009,
5 whether or not sold at wholesale, or if not sold then
6 at the same rate upon the use by the wholesaler or
7 dealer; [~~and~~]

8 (13) An excise tax equal to _____ per cent of the wholesale
9 price of each article or item of tobacco products,
10 other than large cigars, sold by a wholesaler or
11 dealer on and after January 1, 2015, whether or not
12 sold at wholesale, or if not sold then at the same
13 rate upon the use by the wholesaler or dealer;
14 provided that if the excise tax rate of 16.00 cents
15 for each cigarette or little cigar pursuant to
16 paragraph (11) increases on or after January 1, 2015,
17 the excise tax rate equal to _____ per cent of the
18 wholesale price for each article or item of tobacco
19 products, other than large cigars, pursuant to this
20 paragraph shall automatically increase by the same
21 percentage in the increase of the excise tax rate per



1 cigarette or little cigar pursuant to paragraph (11);
 2 and
 3 [~~13~~] (14) An excise tax equal to fifty per cent of the
 4 wholesale price of each large cigar of any length,
 5 sold, used, or possessed by a wholesaler or dealer on
 6 and after September 30, 2009, whether or not sold at
 7 wholesale, or if not sold then at the same rate upon
 8 the use by the wholesaler or dealer.

9 Where the tax imposed has been paid on cigarettes, little
 10 cigars, or tobacco products that thereafter become the subject
 11 of a casualty loss deduction allowable under chapter 235, the
 12 tax paid shall be refunded or credited to the account of the
 13 wholesaler or dealer. The tax shall be applied to cigarettes
 14 through the use of stamps."

15 SECTION 2. Statutory material to be repealed is bracketed
 16 and stricken. New statutory material is underscored.

17 SECTION 3. This Act shall take effect on July 1, 2014.

18

INTRODUCED BY: Josh Green MD
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S.B. NO. 2066

Report Title:

Tobacco Products; Tax

Description:

Increases the excise tax on the wholesale price of tobacco products, other than large cigars, sold by a wholesaler or dealer on and after January 1, 2015, and requires the excise tax on tobacco products other than large cigars to automatically increase by the same percentage as any increase in tax per cigarette or little cigar beginning on January 1, 2015.

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

