

FILED FEB 13 '03

SENATE FILE  
BY McCOY

144

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act increasing the tax imposed on cigarettes.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 144  
WAYS & MEANS

1 Section 1. Section 453A.6, subsection 1, Code 2003, is  
2 amended to read as follows:

3 1. There is imposed, and shall be collected and paid to  
4 the department, the following taxes on all cigarettes used or  
5 otherwise disposed of in this state for any purpose  
6 whatsoever:

7 Class A. On cigarettes weighing not more than three pounds  
8 per thousand, ~~eighteen-mills~~ six and eight-tenths cents on  
9 each ~~such~~ cigarette.

10 Class B. On cigarettes weighing more than three pounds per  
11 thousand, ~~eighteen-mills~~ six and eight-tenths cents on each  
12 ~~such~~ cigarette.

13 EXPLANATION

14 This bill increases the tax on cigarettes from \$.018 per  
15 cigarette to \$.068 per cigarette. The bill also changes the  
16 use of mills in assessing the tax to the use of cents. One  
17 mill equals \$.001. The effect of the bill, as an example, is  
18 to increase the tax on a pack of 20 cigarettes from \$.36 per  
19 pack to \$1.36 per pack.

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