

SENATE BILL NO. 1007

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SPECIAL SESSION

BY THE SENATE RULES COMMITTEE BY THE REQUEST OF THE GOVERNOR

Offered: 5/9/96

Referred: JUD, HES, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to taxes on cigarettes and tobacco products; and providing for
2 an effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** LEGISLATIVE INTENT. It is the intent of the legislature that, of the new
5 tax revenue derived from the amendments made by secs. 2 and 3 of this Act, subject to
6 appropriation,

7 (1) 10 percent be used for establishing an aggressive anti-tobacco campaign
8 targeting children, to be administered by the Department of Health and Social Services;

9 (2) 10 percent be used by the Department of Public Safety as pass-through
10 grants to municipalities to detect and prosecute those who sell or otherwise supply tobacco
11 to children; and

12 (3) the balance be expended for state support of elementary and secondary
13 education.

14 * **Sec. 2.** AS 43.50.190(a) is amended to read:

1 (a) There is levied an excise tax of 62 mills [12 MILLS] on each cigarette
2 imported or acquired in this state.

3 * **Sec. 3.** AS 43.50.300 is amended to read:

4 Sec. 43.50.300. EXCISE TAX LEVIED. An excise tax is levied on tobacco
5 products in the state at the rate of 100 [25] percent of the wholesale price of the
6 tobacco products. The tax is levied when a person

7 (1) brings, or causes to be brought, a tobacco product into the state
8 from outside the state for sale;

9 (2) makes, manufactures, or fabricates a tobacco product in the state
10 for sale in the state; or

11 (3) ships or transports a tobacco product to a retailer in the state for
12 sale by the retailer.

13 * **Sec. 4.** This Act takes effect October 1, 1996.