

**HOUSE BILL NO. 188**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVE HERRON**

**Introduced: 3/12/09**

**Referred: Health and Social Services, Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to the taxation of moist snuff tobacco, and amending the definition of**  
2 **'tobacco product' in provisions levying an excise tax on those products."**

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

4 **\* Section 1.** AS 43.50.300 is amended to read:

5 **Sec. 43.50.300. Excise tax levied.** An excise tax is levied on tobacco products  
6 in the state at the **rate in (b) of this section** [RATE OF 75 PERCENT OF THE  
7 WHOLESALE PRICE OF THE TOBACCO PRODUCTS]. The tax is levied when a  
8 person

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

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

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

1 \* **Sec. 2.** AS 43.50.300 is amended by adding a new subsection to read:

2 (b) The excise tax rate on

3 (1) moist snuff tobacco is \$1.88 multiplied by the number of ounces of  
4 moist snuff tobacco, including fractions of an ounce;

5 (2) tobacco products other than moist snuff tobacco is 75 percent of the  
6 wholesale price of the tobacco product.

7 \* **Sec. 3.** AS 43.50.330(a) is amended to read:

8 (a) On or before the last day of each calendar month, a licensee shall file a  
9 return with the department. The return must state the number or amount of tobacco  
10 products **including the number of ounces of moist snuff tobacco** sold by the  
11 licensee during the preceding calendar month, the selling price of the tobacco  
12 products, [AND] the amount of tax imposed on [THE] tobacco products **other than**  
13 **moist snuff tobacco, and the amount of tax imposed on moist snuff tobacco.**

14 \* **Sec. 4.** AS 43.50.390(4) is amended to read:

15 (4) "tobacco product" means

16 (A) a cigar;

17 (B) a cheroot;

18 (C) a stogie;

19 (D) a perique;

20 (E) snuff **tobacco, including moist snuff tobacco,** and snuff  
21 flour;

22 (F) smoking tobacco, including granulated, plug-cut, crimp-cut,  
23 ready-rubbed, and any form of tobacco suitable for smoking in a pipe or  
24 cigarette;

25 (G) chewing tobacco, including cavendish, twist, plug, scrap,  
26 and tobacco suitable for chewing; or

27 (H) an article or product made of tobacco or a tobacco  
28 substitute, but not including a cigarette as defined in AS 43.50.170;

29 \* **Sec. 5.** AS 43.50.390 is amended by adding a new paragraph to read:

30 (6) "moist snuff tobacco" means any finely cut, ground, or powdered  
31 tobacco that is not intended to be

1 (A) smoked; or

2 (B) placed in the nasal cavity.

3 \* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to  
4 read:

5 **APPLICABILITY.** Sections 1 - 5 of this Act are applicable starting on the first day of  
6 the month immediately following the effective date of this Act.