

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1238

Introduced by Assembly Member Linder

February 27, 2015

An act to ~~amend Section 30002 of~~ *add Sections 30004 and 30112 to* the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 1238, as amended, Linder. Cigarette and tobacco products ~~taxes.~~
taxes: premium cigars.

The Cigarette and Tobacco Products Tax Law imposes a tax on every distributor of cigarettes and tobacco products at specified rates, including additional taxes imposed under the Tobacco Tax and Health Protection Act of 1988 (Proposition 99) and the California Families and Children Act of 1998 (Proposition 10). ~~Existing law provides definitions that govern the construction of this law. That law imposes taxes on other tobacco products, including cigars, measured by wholesale cost, at a rate determined annually by the State Board of Equalization, as provided.~~

The Tobacco Tax and Health Protection Act of 1988, and the California Families and Children Act of 1998, each requires that amendments to its provisions be consistent with the act's purposes, and be approved, respectively, by either a $\frac{4}{5}$ or $\frac{2}{3}$ vote of both houses of the Legislature.

~~This bill would make a nonsubstantive change to this provision regarding definitions under the law.~~ *define a "premium cigar" for purposes of these taxes as any roll of tobacco spiral wrapped in leaf tobacco that does not contain a plastic or wooden filter or tip, and that*

weighs over 6 pounds per thousand cigars. The bill would also provide that the rate of tax imposed on the distribution of a premium cigar would not exceed \$ ____.

Vote: ~~majority~~^{4/5}. Appropriation: no. Fiscal committee: ~~no~~^{yes}. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. Section 30004 is added to the Revenue and*
- 2 *Taxation Code, to read:*
- 3 *30004. "Premium cigar" means any roll of tobacco spiral*
- 4 *wrapped in leaf tobacco that does not contain a plastic or wooden*
- 5 *filter or tip, and that weighs over six pounds per thousand cigars.*
- 6 *SEC. 2. Section 30112 is added to the Revenue and Taxation*
- 7 *Code, to read:*
- 8 *30112. Notwithstanding any other provision of this part, the*
- 9 *rate of tax imposed on the distribution of a premium cigar shall*
- 10 *not exceed ____ (\$____).*
- 11 ~~SECTION 1. Section 30002 of the Revenue and Taxation Code~~
- 12 ~~is amended to read:~~
- 13 ~~30002. Except where the context otherwise requires, the~~
- 14 ~~definitions provided in this chapter govern the construction of this~~
- 15 ~~part.~~