

AMENDED IN ASSEMBLY APRIL 6, 2016
AMENDED IN ASSEMBLY MARCH 29, 2016
CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2184

**Introduced by ~~Assembly Members Low and Calderon~~ Assembly
Member Low
(~~Coauthors: Assembly Members Bloom, Irwin, and Salas~~)**

February 18, 2016

An act to amend Section 30166.1 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2184, as amended, Low. Cigarette tax: stamps and meter machines: report.

The Cigarette and Tobacco Products Tax Law imposes a tax on distributors of cigarettes at the rate of \$0.87 per package of 20 cigarettes. That law requires that tax be paid through the use of stamps or meter impressions, and requires that these stamps or meter impressions be affixed to each package of cigarettes distributed. That law requires stamps and meter register settings to be sold at their denominated values less 0.85% to licensed distributors.

Existing law, no later than July 1, 2005, required the Board of Equalization to submit a report to the Legislature that evaluates the average actual costs, including labor, for applying indicia or impressions, bonding, warehousing, and leasing stamping equipment, including case cutters and packers, associated with applying stamps or meter impressions to cigarette packages and requires that report to be updated every 2 years.

This bill instead would require a report making the same evaluation to be submitted to the Legislature no later than January 1, 2018, and would require that report to be updated and submitted to the Legislature every 2 years.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

1 SECTION 1. Section 30166.1 of the Revenue and Taxation
2 Code is amended to read:
3 30166.1. (a) No later than January 1, 2018, the board shall
4 submit ~~a report~~ to the Legislature *a report* that evaluates the
5 average actual costs, including labor for applying indicia or
6 impressions, bonding, warehousing, and leasing stamping
7 equipment, including case cutters and packers, associated with
8 applying stamps or meter impressions to cigarette packages.
9 (b) (1) A report to be submitted pursuant to subdivision (a)
10 shall be submitted in compliance with Section 9795 of the
11 Government Code.
12 (2) Notwithstanding Section 10231.5 of the Government Code,
13 the report required by subdivision (a) shall be updated and
14 submitted to the Legislature every two years.