

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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HOUSE DRH30523-LUxz-93A* (05/04)

Short Title: Increase Cigarette Excise Tax to 75 Cents. (Public)

Sponsors: Representatives Justice and Womble (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE THE EXCISE TAX ON CIGARETTES AS
3 RECOMMENDED BY THE LEGISLATIVE STUDY COMMISSION ON
4 CHILDREN AND YOUTH AND TO MAKE OTHER TECHNICAL
5 CORRECTIONS.

6 Whereas, tobacco use continues to be a major health concern among youth in
7 this State; and

8 Whereas, according to the Centers for Disease Control and Prevention,
9 raising the price of a pack of cigarettes, through a tax, is the most effective way to
10 prevent youth from smoking; and

11 Whereas, North Carolina's cigarette tax is the second lowest in the nation;
12 Now, therefore,

13 The General Assembly of North Carolina enacts:

14 **SECTION 1.** G.S. 105-113.5 reads as rewritten:

15 "**§ 105-113.5. Tax on cigarettes.**

16 A tax is levied on the sale or possession for sale in this State, by a distributor, of all
17 cigarettes at the rate of ~~two and one half mills~~ three and three-quarter cents (3.75¢) per
18 individual cigarette.

19 ~~This tax does not apply to any of the following:~~

20 (1) ~~Sample cigarettes distributed without charge in packages containing~~
21 ~~five or fewer cigarettes.~~

22 (2) ~~Cigarettes in a package of cigarettes given without charge by the~~
23 ~~manufacturer of the cigarettes to an employee of the manufacturer who~~
24 ~~works in a factory where cigarettes are made, if the cigarettes are not~~
25 ~~taxed by the federal government."~~

26 **SECTION 2.** This act becomes effective July 1, 2004.