

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7327

BILL NUMBER: HB 2005

DATE PREPARED: Jan 5, 1999

BILL AMENDED:

SUBJECT: Cigarettes packaged for export.

FISCAL ANALYST: Brian Tabor

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FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: No Fiscal Impact

Summary of Legislation: This bill prohibits cigarette distributors and retailers from affixing tax stamps to cigarettes that do not comply with federal labeling and warning requirements that apply to cigarettes packaged for sale in the United States. It requires the state Department of Revenue (DOR) to revoke the registration certificate of a distributor that violates this provision.

Effective Date: July 1, 1999.

Explanation of State Expenditures: This bill would require the DOR to revoke the registration of a cigarette distributor if the distributor affixes tax stamps to packs that do not meet the requirements of the federal Cigarette Labeling and Advertising Act. The DOR currently has the statutory authority to investigate and revoke such registrations for other violations regarding cigarette tax stamps. No additional costs to the Department are expected to result from this proposal.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Revenue.

Local Agencies Affected:

Information Sources: Russ Abrams, Director, Tax Policy Division, DOR, (317) 232-2104.