

By: Representatives Watson, Reynolds

To: Ways and Means

HOUSE BILL NO. 364

1 AN ACT TO AMEND SECTION 27-69-13, MISSISSIPPI CODE OF 1972,  
2 TO INCREASE THE EXCISE TAX ON CIGARETTES; AND FOR RELATED  
3 PURPOSES.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

5 **SECTION 1.** Section 27-69-13, Mississippi Code of 1972, is  
6 amended as follows:

7 27-69-13. There is hereby imposed, levied and assessed, to  
8 be collected and paid as hereinafter provided in this chapter, an  
9 excise tax on each person or dealer in cigarettes, cigars,  
10 stogies, snuff, chewing tobacco, and smoking tobacco, or  
11 substitutes therefor, upon the sale, use, consumption, handling or  
12 distribution in the State of Mississippi, as follows:

13 (a) On cigarettes, the rate of tax shall be Five Cents  
14 (5¢) on each cigarette sold with a maximum length of one hundred  
15 twenty (120) millimeters; any cigarette in excess of this length  
16 shall be taxed as if it were two (2) or more cigarettes.  
17 Provided, however, if the federal tax rate on cigarettes in effect  
18 on June 1, 1985, is reduced, then the rate as provided herein  
19 shall be increased by the amount of the federal tax reduction.  
20 Such tax increase shall take effect on the first day of the month  
21 following the effective date of such reduction in the federal tax  
22 rate.

23 (b) On cigars, cheroots, stogies, snuff, chewing and  
24 smoking tobacco and all other tobacco products except cigarettes,  
25 the rate of tax shall be fifteen percent (15%) of the  
26 manufacturer's list price.



27           No stamp evidencing the tax herein levied on cigarettes shall  
28 be of a denomination of less than One Cent (1¢), and whenever the  
29 tax computed at the rates herein prescribed on cigarettes shall be  
30 a specified amount, plus a fractional part of One Cent (1¢), the  
31 package shall be stamped for the next full cent; however, the  
32 additional face value of stamps purchased to comply with taxes  
33 imposed by this section after June 1, 1985, shall be subject to a  
34 four percent (4%) discount or compensation to dealers for their  
35 services rather than the eight percent (8%) discount or  
36 compensation allowed by Section 27-69-31.

37           Every wholesaler shall purchase stamps as provided in this  
38 chapter, and affix the same to all packages of cigarettes handled  
39 by him as herein provided.

40           The above tax is levied upon the sale, use, gift, possession  
41 or consumption of tobacco within the State of Mississippi, and the  
42 impact of the tax levied by this chapter is hereby declared to be  
43 on the vendee, user, consumer or possessor of tobacco in this  
44 state; and when said tax is paid by any other person, such payment  
45 shall be considered as an advance payment and shall thereafter be  
46 added to the price of the tobacco and recovered from the ultimate  
47 consumer or user.

48           **SECTION 2.** This act shall take effect and be in force from  
49 and after March 1, 2009.

