

Senate Resolution 769

By: Senators Starr of the 44th and Seay of the 34th

A RESOLUTION

- 1 Creating the Joint Study Committee on Tobacco Tax Evasion; and for other purposes.
- 2 WHEREAS, there is a growing problem in Georgia with untaxed cigar and smokeless
3 tobacco being brought into the state; and
- 4 WHEREAS, an infrastructure exists which is importing cigars from Florida, which has no
5 tax on cigars; and
- 6 WHEREAS, legitimate Georgia wholesalers are losing millions of dollars in sales to such
7 operations, causing a loss of jobs in this state; and
- 8 WHEREAS, the State of Georgia is losing tobacco tax revenue because the tax is not being
9 paid as required on product being imported into this state; and
- 10 WHEREAS, this loss has increased following the tax increase on cigars and the imposition
11 of the tax on smokeless tobacco; and
- 12 WHEREAS, it is estimated that the state will fall \$40 million short of its projections on
13 tobacco tax revenue, which includes taxes collected on cigars and smokeless tobacco; and
- 14 WHEREAS, current policy and procedure makes the identification of imported products
15 difficult to spot since, unlike cigarettes, neither cigars nor smokeless tobacco products are
16 stamped.
- 17 NOW, THEREFORE, BE IT RESOLVED BY THE GENERAL ASSEMBLY OF
18 GEORGIA that there is created the Joint Study Committee on Tobacco Tax Evasion to be
19 composed of 12 members. The Senate Committee on Assignments shall appoint five
20 members of the Senate as members of the committee and shall designate one of such
21 members as cochairperson. The Speaker of the House of Representatives shall appoint five

1 members of the House of Representatives as members of the committee and shall designate
2 one of such members as cochairperson. In addition to legislative members, the study
3 committee shall also include one member to be appointed by the Governor and one member
4 to be appointed by the commissioner of revenue. The cochairpersons shall call all meetings
5 of the committee.

6 BE IT FURTHER RESOLVED that the committee shall undertake a study of the conditions,
7 needs, issues, and problems mentioned above or related thereto and recommend any actions
8 or legislation which the committee deems necessary or appropriate. The committee may
9 conduct such meetings at such places and at such times as it may deem necessary or
10 convenient to enable it to exercise fully and effectively its powers, perform its duties, and
11 accomplish the objectives and purposes of this resolution. The legislative members of the
12 committee shall receive the allowances provided for in Code Section 28-1-8 of the Official
13 Code of Georgia Annotated. Members of the committee who are state officials, other than
14 legislative members, or state employees shall receive no compensation for their services on
15 the committee, but they shall be reimbursed for expenses incurred by them in the
16 performance of their duties as members of the committee in the same manner as they are
17 reimbursed for expenses in their capacities as state officials or employees. The funds
18 necessary for the reimbursement of the expenses of state officials, other than legislative
19 members, and state employees shall come from funds appropriated to or otherwise available
20 to their respective departments. Except as otherwise provided in this resolution, all funds
21 necessary to carry out the provisions of this resolution shall come from funds appropriated
22 to the Senate and the House of Representatives. The expenses and allowances authorized by
23 this resolution shall not be received by any member of the committee for more than ten days
24 unless additional days are authorized. In the event the committee makes a report of its
25 findings and recommendations, with suggestions for proposed legislation, if any, such report
26 shall be made on or before December 31, 2004. The committee shall stand abolished on
27 December 31, 2004.