

House Bill 394

By: Representative Stephens of the 164<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 11 of Title 48 of the Official Code of Georgia Annotated, relating to taxes  
2 on tobacco and vaping products, so as to revise the rate of taxation for tobacco products and  
3 vapor products; to provide for the taxation of certain products that contain nicotine; to  
4 provide for related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Chapter 11 of Title 48 of the Official Code of Georgia Annotated, relating to taxes on  
8 tobacco and vaping products, is amended by revising subsection (a) of Code Section 48-11-2,  
9 relating to excise tax, rate on tobacco and vaping products, retail selling price before addition  
10 of tax, exemptions, collection and payment on first transaction, dealers or distributors, tax  
11 separately identified, and collection, as follows:

12 "(a) An excise tax, in addition to all other taxes of every kind imposed by law, is imposed  
13 upon the sale, receipt, purchase, possession, consumption, handling, distribution, or use of  
14 cigars, cigarettes, loose or smokeless tobacco, alternative nicotine products, and vapor  
15 products in this state at the following rates:

16 (1) ~~Little cigars: two and one-half mills each;~~

H. B. 394

- 17 ~~(2) All cigars other than little cigars: 23 percent of the wholesale cost price, exclusive~~  
 18 ~~of any trade, cash, or other discounts or any promotion, advertising, display, or similar~~  
 19 ~~allowances;~~
- 20 ~~(3) Cigarettes: 37¢ \$1.87 per pack of 20 cigarettes and a like rate, pro rata, for other size~~  
 21 ~~packages;~~
- 22 ~~(4)(2) Cigars, loose ~~Loose~~ or smokeless tobacco, and alternative nicotine products: 10~~  
 23 ~~39 percent of the wholesale cost price, exclusive of any trade, cash, or other discounts or~~  
 24 ~~any promotion, advertising, display, or similar allowances;~~
- 25 ~~(5) Consumable vapor products in a closed system: 5¢ per fluid milliliter;~~
- 26 ~~(6)(3) Consumable vapor products; in an open system: 7 39 percent of the wholesale cost~~  
 27 ~~price, exclusive of any trade, cash, or other discounts or any promotion, advertising,~~  
 28 ~~display, or similar allowances; and~~
- 29 ~~(7)(4) Vapor devices that contain any consumable vapor product at the time of sale and~~  
 30 ~~which are not designed or intended to be reused or refilled: 7 39 percent of the wholesale~~  
 31 ~~cost price, exclusive of any trade, cash, or other discounts or any promotion, advertising,~~  
 32 ~~display, or similar allowances."~~

33

**SECTION 2.**

34 All laws and parts of laws in conflict with this Act are repealed.