

STATE OF NEW YORK

2753

2021-2022 Regular Sessions

IN SENATE

January 25, 2021

Introduced by Sen. HOYLMAN -- read twice and ordered printed, and when printed to be committed to the Committee on Budget and Revenue

AN ACT to amend the tax law, in relation to increasing the tax imposed on the sale of tobacco products and the retail sale of vapor products

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 1 of section 471-b of the tax law, as amended
2 by section 2 of part QQ-1 of chapter 57 of the laws of 2008, paragraphs
3 (a) and (b) as amended by section 18 and paragraph (c) as added by
4 section 19 of part D of chapter 134 of the laws of 2010, is amended to
5 read as follows:

6 1. There is hereby imposed and shall be paid a tax on all tobacco
7 products possessed in this state by any person for sale, except that no
8 tax shall be imposed on tobacco products sold under such circumstances
9 that this state is without power to impose such tax, or sold to the
10 United States, or sold to or by a voluntary unincorporated organization
11 of the armed forces of the United States operating a place for the sale
12 of goods pursuant to regulations promulgated by the appropriate execu-
13 tive agency of the United States, to the extent provided in such regu-
14 lations and policy statements of such an agency applicable to such
15 sales.

16 (a) Such tax on tobacco products other than [~~snuff and~~] little cigars
17 shall be at the rate of [~~seventy-five~~] one hundred twenty-nine percent
18 of the wholesale price, and is intended to be imposed only once upon the
19 sale of any tobacco products other than [~~snuff and~~] little cigars.

20 (b) [~~Such tax on snuff shall be at the rate of two dollars per ounce~~
21 ~~and a proportionate rate on any fractional parts of an ounce, provided~~
22 ~~that cans or packages of snuff with a net weight of less than one ounce~~
23 ~~shall be taxed at the equivalent rate of cans or packages weighing one~~
24 ~~ounce. Such tax shall be computed based on the net weight as listed by~~

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 ~~the manufacturer, and is intended to be imposed only once upon the sale~~
2 ~~of any snuff.~~

3 ~~(e)~~] Such tax on little cigars shall be at the same rate imposed on
4 cigarettes under this article and is intended to be imposed only once
5 upon the sale of any little cigars.

6 It shall be presumed that all tobacco products within the state are
7 subject to tax until the contrary is established, and the burden of
8 proof that any tobacco products are not taxable hereunder shall be upon
9 the person in possession thereof.

10 § 2. Section 1181 of the tax law, as added by section 1 of part UU of
11 chapter 59 of the laws of 2019, is amended to read as follows:

12 § 1181. Imposition of Tax. In addition to any other tax imposed by
13 this chapter or other law, there is hereby imposed a tax of [~~twenty~~
14 forty-eight percent on receipts from the retail sale of vapor products
15 sold in this state. The tax is imposed on the purchaser and collected by
16 the vapor products dealer as defined in subdivision (b) of section elev-
17 en hundred eighty of this article, in trust for and on account of the
18 state.

19 § 3. This act shall take effect immediately.