

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017

COMMITTEE STATEMENT

LB 190

Hearing Date: None
Committee On: Revenue
Introducer: Kintner
One Liner: Provide limit on tax on cigars, cheroots, and stogies

Roll Call Vote - Final Committee Action:

Indefinitely Postpone

Vote Results:

Aye: 8 Senators Brasch, Friesen, Groene, Harr, Larson, Lindstrom, Schumacher, Smith

Nay:

Absent:

Present Not Voting:

Verbal Testimony:

Proponents:

Representing:

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

Legislative Bill 762 amends Section 77-4008 to change the taxation of cigars, cheroots and stogies. Currently, cigars, cheroots, stogies are included in the definition of "tobacco products," which does not include cigarettes. The first owner of tobacco products is presently taxed at 20 percent. LB762 would create a different level of taxation for cigars, cheroots, and stogies by the first owner at 22 percent, but not to exceed 50 cents per cigar, cheroot, or stogie. By capping the tax at 50 cents per cigar, this would reduce the incentive for Nebraska residents to purchase their high-end cigars out of state, potentially increasing the amount of tax captured in Nebraska.

Jim Smith, Chairperson