

AMENDMENTS TO LB584

Introduced by Revenue.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 77-4001, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 77-4001 Sections 77-4001 to 77-4025 and sections 3 and 4 of this act
6 shall be known and may be cited as the Tobacco Products Tax Act.

7 Sec. 2. Section 77-4002, Reissue Revised Statutes of Nebraska, is
8 amended to read:

9 77-4002 For purposes of the Tobacco Products Tax Act, unless the
10 context otherwise requires, the definitions found in sections 77-4003 to
11 77-4007 and sections 3 and 4 of this act shall be used.

12 Sec. 3. Consumable material means any liquid solution or other
13 material containing nicotine that is depleted as an electronic nicotine
14 delivery system is used.

15 Sec. 4. Electronic nicotine delivery system has the same meaning as
16 in section 28-1418.01.

17 Sec. 5. Section 77-4007, Reissue Revised Statutes of Nebraska, is
18 amended to read:

19 77-4007 Tobacco products shall mean (1) cigars, (2) cheroots, (3)
20 stogies, (4) periques, (5) granulated, plug cut, crimp cut, ready rubbed,
21 and other smoking tobacco, (6) snuff, (7) snuff flour, (8) cavendish, (9)
22 plug and twist tobacco, (10) fine cut and other chewing tobacco, (11)
23 shorts, refuse scraps, clippings, cuttings, and sweepings of tobacco, ~~and~~
24 (12) other kinds and forms of tobacco, prepared in such manner as to be
25 suitable for chewing or smoking in a pipe or otherwise or both for
26 chewing and smoking, and (13) electronic nicotine delivery systems,
27 except that tobacco products shall not mean cigarettes as defined in

1 section 77-2601.

2 Sec. 6. Section 77-4008, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 77-4008 (1)(a) A tax is hereby imposed upon the first owner of
5 tobacco products to be sold in this state.

6 (b) The tax on snuff shall be forty-four cents per ounce and a
7 proportionate tax at the like rate on all fractional parts of an ounce.
8 Such tax shall be computed based on the net weight as listed by the
9 manufacturer.

10 (c) The tax on an electronic nicotine delivery system containing
11 three milliliters or less of consumable material shall be five cents per
12 milliliter of consumable material and a proportionate tax at the like
13 rate on all fractional parts of a milliliter.

14 (d) The tax on an electronic nicotine delivery system containing
15 more than three milliliters of consumable material shall be ten percent
16 of (i) the purchase price of such electronic nicotine delivery system
17 paid by the first owner or (ii) the price at which the first owner who
18 made, manufactured, or fabricated the electronic nicotine delivery system
19 sells the item to others.

20 (e) For electronic nicotine delivery systems in the possession of
21 retail dealers for which tax has not been paid, the tax under this
22 subsection shall be imposed at the earliest time the retail dealer: (i)
23 Brings or causes to be brought into the state any electronic nicotine
24 delivery system for sale; (ii) makes, manufactures, or fabricates any
25 electronic nicotine delivery system in this state for sale in this state;
26 or (iii) sells any electronic nicotine delivery system to consumers
27 within this state.

28 (f) {e} The tax on tobacco products other than snuff and electronic
29 nicotine delivery systems shall be twenty percent of (i) the purchase
30 price of such tobacco products paid by the first owner or (ii) the price
31 at which a first owner who made, manufactured, or fabricated the tobacco

1 product sells the items to others.

2 (g) ~~(d)~~ The tax on tobacco products shall be in addition to all
3 other taxes.

4 (2) Whenever any person who is licensed under section 77-4009
5 purchases tobacco products from another person licensed under section
6 77-4009, the seller shall be liable for the payment of the tax.

7 (3) Amounts collected pursuant to this section shall be used and
8 distributed pursuant to section 77-4025.

9 Sec. 7. This act becomes operative on January 1, 2024.

10 Sec. 8. Original sections 77-4001, 77-4002, 77-4007, and 77-4008,
11 Reissue Revised Statutes of Nebraska, are repealed.