

# New Hampshire Department of Revenue Administration

## Fiscal Note Quick Guide

19-0632

**HB 595**, *relative to the administration of the tobacco tax.*

House Ways & Means

The proposed legislation recodifies the Tobacco Tax, RSA 78. It reorders sections (including by inserting new sections particular to cigarettes and other tobacco products) and makes other editorial changes to simplify, clarify, and modernize the current law.

The proposed legislation also makes the following substantive changes to the current law:

- It removes all references to “sub-jobber” as currently defined in RSA 78:1, VII, instead treating any such person as a “wholesaler.”
- It amends the definition of “wholesale sales price” (for other tobacco products) by reference to proposed RSA 78:2, III, which provides that the Tobacco Tax “shall be paid by the wholesaler who ships or transports tobacco products to retailers in this state.”
- It provides additional reasons for which a license may be revoked, suspended, or denied.
- It requires every wholesaler to keep a sufficient number of recently purchased stamps on hand to pay the Tobacco Tax due on all cigarettes found at any place in this state (RSA 78:11, II), and to file a monthly accounting of any other tobacco products transferred to and from any place in this state (RSA 78:13, III).
- It authorizes an administrative fine in addition to or in lieu of a period of license suspension.

The proposed legislation takes effect January 1, 2020.

The fiscal impact is indeterminable. The proposed legislation merely simplifies, clarifies, and modernizes the current Tobacco Tax Law, including by addressing compliance and enforcement issues. It does not affect taxability.

However, to the extent the proposed legislation generally improves compliance and enforcement of the law, it may increase revenues.