
S.B. 114 - Tobacco Tax Amendments

Fiscal Note

2009 General Session

State of Utah

State Impact

Enacting this bill will increase taxes on cigarettes, moist snuff, and other tobacco related products by \$53,900,000 in FY 2010. In FY 2011, \$54,440,000 will be raised by the tax increase, \$53,900,000 of which is deposited into the Cigarette and Tobacco Products Restricted Account. The balance accrues to the General Fund. The bill also changes current earmarks; there is an increase to Huntsman Cancer Institute by \$2,300,000; an increase to the University of Utah School of Medicine by \$600,000; and a decrease to the Department of Health by \$600,000. The remaining \$51,600,000 must be spent on health-related programs.

	<u>2009</u> <u>Approp.</u>	<u>2010</u> <u>Approp.</u>	<u>2011</u> <u>Approp.</u>	<u>2009</u> <u>Revenue</u>	<u>2010</u> <u>Revenue</u>	<u>2011</u> <u>Revenue</u>
General Fund	\$0	\$0	\$0	\$0	\$0	\$540,000
General Fund Restricted	\$0	\$10,500,000	\$10,500,000	\$0	\$53,900,000	\$53,900,000
Total	\$0	\$10,500,000	\$10,500,000	\$0	\$53,900,000	\$54,440,000

Individual, Business and/or Local Impact

Local government sales tax revenue will increase by a total of \$60,000. Revenues to businesses dealing in tobacco products will decrease by \$45,000,000. Individuals will see the the price per pack of cigarette increase by \$1.30; the price per ounce of moist snuff increase by \$1.40; and the tax rate for other tobacco products increase from 35% to 88%.