

Superseded 5/10/2016

59-14-204 Tax basis -- Rate -- Future increase -- Cigarette Tax Restricted Account -- Appropriation and expenditure of revenues.

- (1) Except for cigarettes described under Subsection 59-14-210(3), there is levied a tax upon the sale, use, storage, or distribution of cigarettes in the state.
- (2) The rates of the tax levied under Subsection (1) are, beginning on July 1, 2010:
 - (a) 8.5 cents on each cigarette, for all cigarettes weighing not more than three pounds per thousand cigarettes; and
 - (b) 9.963 cents on each cigarette, for all cigarettes weighing in excess of three pounds per thousand cigarettes.
- (3) Except as otherwise provided under this chapter, the tax levied under Subsection (1) shall be paid by any person who is the manufacturer, jobber, importer, distributor, wholesaler, retailer, user, or consumer.
- (4) The tax rates specified in this section shall be increased by the commission by the same amount as any future reduction in the federal excise tax on cigarettes.
- (5)
 - (a) There is created within the General Fund a restricted account known as the "Cigarette Tax Restricted Account."
 - (b) The Cigarette Tax Restricted Account consists of:
 - (i) the first \$7,950,000 of the revenues collected from a tax under this section; and
 - (ii) any other appropriations the Legislature makes to the Cigarette Tax Restricted Account.
 - (c) For each fiscal year beginning with fiscal year 2011-12 and subject to appropriation by the Legislature, the Division of Finance shall distribute money from the Cigarette Tax Restricted Account as follows:
 - (i) \$250,000 to the Department of Health to be expended for a tobacco prevention and control media campaign targeted towards children;
 - (ii) \$2,900,000 to the Department of Health to be expended for tobacco prevention, reduction, cessation, and control programs;
 - (iii) \$2,000,000 to the University of Utah Health Sciences Center for the Huntsman Cancer Institute to be expended for cancer research; and
 - (iv) \$2,800,000 to the University of Utah Health Sciences Center to be expended for medical education at the University of Utah School of Medicine.
 - (d) In determining how to appropriate revenue deposited into the Cigarette Tax Restricted Account that is not otherwise appropriated under Subsection (5)(c), the Legislature shall give particular consideration to enhancing Medicaid provider reimbursement rates and medical coverage for the uninsured.
 - (e) Any program or entity that receives funding under Subsection (5)(c) shall provide an annual report to the Health and Human Services Interim Committee no later than September 1 of each year. The report shall include:
 - (i) the amount funded;
 - (ii) the amount expended;
 - (iii) a description of the effectiveness of the program; and
 - (iv) if the program is a tobacco cessation program, the report required in Section 51-9-203.