

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 410
Corrected Copy 3/6/09

Short Title: Increase Cig. Tax/Proceeds to MHTF. (Public)

Sponsors: Senators Nesbitt; Atwater, Dannelly, Malone, Purcell, Shaw, Kinnaird,
McKissick, and Snow.

Referred to: Finance.

March 5, 2009

A BILL TO BE ENTITLED

AN ACT TO INCREASE TO THE NATIONAL AVERAGE THE RATE OF TAX ON
CIGARETTES AND TO CREDIT THE NET PROCEEDS OF THIS INCREASE TO THE
MENTAL HEALTH TRUST FUND, AS RECOMMENDED BY THE JOINT
LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH,
DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-113.5 reads as rewritten:

"§ 105-113.5. Tax on cigarettes.

A tax is levied on the sale or possession for sale in this State, by a distributor, of all
cigarettes at the rate of ~~one and three fourths cents (1.75¢)~~ five and ninety-five hundredths cents
(5.95¢) per individual cigarette. The Secretary shall credit the net proceeds collected under this
Part as follows:

(1) Seventy percent (70%) to the Trust Fund for Mental Health, Developmental
Disabilities, and Substance Abuse Services and Bridge Funding Needs
established under G.S. 143C-9-2.

(2) Thirty percent (30%) to the General Fund."

SECTION 2. This act becomes effective July 1, 2009.

