**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 2001**

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**HOUSE BILL 1601**

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| Short Title: | Cigarette Tax 50 Cents a Pack. | (Public) |
| Sponsors: | Representatives Easterling; Adams, Insko, and Weiss. | |
| Referred to: | Finance. | |

June 10, 2002

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE CIGARETTE TAX FROM FIVE CENTS A PACK TO FIFTY CENTS A PACK.

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 two and one-half ~~mills~~ cents (2 1/2¢) per individual cigarette.

This tax does not apply to any of the following:

(1) Sample cigarettes distributed without charge in packages containing five or fewer cigarettes.

(2) Cigarettes in a package of cigarettes given without charge by the manufacturer of the cigarettes to an employee of the manufacturer who works in a factory where cigarettes are made, if the cigarettes are not taxed by the federal government."

**SECTION 2.** This act becomes effective July 1, 2002.