



Hundredth Legislature - First Session - 2007
Introducer's Statement of Intent
LB 106

Chairperson: Ray Janssen
Committee: Revenue
Date of Hearing: January 26, 2007

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 106 changes the method used to impose an excise tax on snuff (smokeless tobacco). The current tax is 20% of the wholesale price. Under LB 106, the tax would be set at 50 cents per ounce, with fractional parts of an ounce taxed proportionately at the same rate, although products weighing less than one ounce would be taxed at a minimum of one ounce.

The excise tax on cigarettes is collected by the pack. LB 106 would tax snuff in a similar manner, imposing the tax on a unit or weight basis, rather than imposing the tax based on price.

Principal Introducer: _____
Senator L. Patrick Engel