

ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009
COMMITTEE STATEMENT
LB89

Hearing Date: Thursday January 22, 2009
Committee On: Revenue
Introducer: Cornett
One Liner: Change tax calculations under the Tobacco Products Tax Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye:	7	Senators Adams, Cornett, Dierks, Friend, Hadley, Utter, White
Nay:		
Absent:	1	Senator Louden
Present Not Voting:		

Proponents:
Senator Abbie Cornett
Walt Radcliffe
Robert L. Shepherd

Representing:
Introducer
UST Public Affairs, Inc.
UST Public Affairs, Inc.

Opponents:
Bob Maples
Jim Moylan

Representing:
Swisher International, Inc.
Reynolds America

Neutral:
Monte Brown

Representing:
Colombo Distribution, NE Candy & Tobacco Wholesalers, Inc.

Summary of purpose and/or changes:

LB 89 divides tobacco products into two categories: smoking tobacco (tobacco products intended primarily for smoking but not cigarettes) and tobacco products (tobacco items primarily intended for chewing). For tobacco products, LB 89 changes the method for imposing an excise tax from 20 percent of wholesale price to a tax set on weight at 65 cents per ounce.

LB 89 also amended various statutes to reflect the two categories. The bill amends certain reporting requirements to include net weight for tobacco products.

Explanation of amendments:

The Committee adopted two amendments to LB 89. The first amendment deleted the definition of smoking tobacco and added a definition of snuff. The second amendment reduced the excise tax on snuff from 65 cents per ounce to 40 cents per ounce.

