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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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HOUSE BILL

No. 199 Session of  
2015

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INTRODUCED BY MURT, BOYLE, BROWNLEE, CALTAGIRONE, CARROLL,  
COHEN, D. COSTA, HARHART, KINSEY, O'BRIEN, WATSON AND  
YOUNGBLOOD, JANUARY 23, 2015

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REFERRED TO COMMITTEE ON FINANCE, JANUARY 23, 2015

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AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An  
2 act relating to tax reform and State taxation by codifying  
3 and enumerating certain subjects of taxation and imposing  
4 taxes thereon; providing procedures for the payment,  
5 collection, administration and enforcement thereof; providing  
6 for tax credits in certain cases; conferring powers and  
7 imposing duties upon the Department of Revenue, certain  
8 employers, fiduciaries, individuals, persons, corporations  
9 and other entities; prescribing crimes, offenses and  
10 penalties," providing for a tax on smokeless tobacco  
11 products.

12 The General Assembly of the Commonwealth of Pennsylvania  
13 hereby enacts as follows:

14 Section 1. The act of March 4, 1971 (P.L.6, No.2), known as  
15 the Tax Reform Code of 1971, is amended by adding an article to  
16 read:

17 ARTICLE XII-A

18 SMOKELESS TOBACCO TAX

19 Section 1201-A. Scope of article.

20 This article establishes a tax on smokeless tobacco products  
21 sold in this Commonwealth by which revenues generated by the tax  
22 are used to provide for the costs of services to adults with

1 intellectual disabilities.

2 Section 1202-A. Definitions.

3 "Account." The Adult Intellectual Disabilities and Autism  
4 Waiting List Account.

5 "Department." The Department of Revenue of the Commonwealth.

6 "Smokeless tobacco." Processed or manufactured tobacco  
7 product used orally or through the nasal cavity that is intended  
8 to be consumed without being smoked. The term includes snuff,  
9 chewing tobacco, tobacco pastes, tobacco powders or other  
10 tobacco product that is not smoked.

11 "Smokeless tobacco company." Any business entity engaged in  
12 the retail sale of smokeless tobacco in this Commonwealth.

13 "Tax." Smokeless tobacco tax.

14 Section 1203-A. Smokeless tobacco tax.

15 (a) Tax.--Each smokeless tobacco company shall levy a tax of  
16 65¢ per ounce on the retail sale of smokeless tobacco.

17 (b) Exemptions.--It is presumed that all smokeless tobacco  
18 within this Commonwealth is subject to tax. The burden of proof  
19 of exemption under this subsection is on the taxpayer or  
20 remitter claiming exemption.

21 Section 1204-A. Collection, reporting and remitting of tax.

22 The tax shall be collected, reported and remitted in the same  
23 manner and subject to all applicable provisions as the tax  
24 imposed by Article II.

25 Section 1205-A. Transfer of tax.

26 The State Treasurer shall, on a monthly basis, transfer the  
27 money collected under section 1203-A into the account pursuant  
28 to section 1206-A.

29 Section 1206-A. Adult Intellectual Disabilities and Autism  
30 Waiting List Account.

1 (a) Establishment.--There is established in the State  
2 Treasury a special account to be known as the Adult Intellectual  
3 Disabilities and Autism Waiting List Account, which shall  
4 receive money from the tax established under section 1203-A and  
5 any other money from any source designated for deposit in the  
6 account.

7 (b) Use of money.--The money in the account shall be  
8 appropriated, upon approval of the Governor, to the Department  
9 of Human Services for the purposes set forth in subsections (d)  
10 and (e).

11 (c) Investment.--All earnings received from the investment  
12 or deposit of the money in the account shall be paid into the  
13 account for the purposes authorized by this section.

14 (d) Certain transfer prohibited.--Any unexpended money and  
15 any interest earned on the money in the account may not be  
16 transferred or revert to the General Fund and shall remain in  
17 the respective account to be used by the Department of Human  
18 Services for the purposes specified in this section.

19 (e) Limitations.--

20 (1) Any funds in the account may not supplant resources  
21 for existing community resources.

22 (2) Any funds in the account shall be used in accordance  
23 with consumer-centered planning.

24 (3) Any remaining funds after meeting needs identified  
25 in subsection (b) shall be used for one-time costs associated  
26 with the community intellectual disabilities and autism  
27 services system.

28 Section 2. This act shall take effect in 60 days.