

S 826

Tobacco Tax and Enforcement Reform Act

Congress: 113 (2013–2015, Ended)

Chamber: Senate

Policy Area: Taxation

Introduced: Apr 25, 2013

Current Status: Read twice and referred to the Committee on Finance.

Latest Action: Read twice and referred to the Committee on Finance. (Apr 25, 2013)

Official Text: <https://www.congress.gov/bill/113th-congress/senate-bill/826>

Sponsor

Name: Sen. Lautenberg, Frank R. [D-NJ]

Party: Democratic • **State:** NJ • **Chamber:** Senate

Cosponsors (5 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Blumenthal, Richard [D-CT]	D · CT		Apr 25, 2013
Sen. Durbin, Richard J. [D-IL]	D · IL		Apr 25, 2013
Sen. Harkin, Tom [D-IA]	D · IA		Apr 25, 2013
Sen. Whitehouse, Sheldon [D-RI]	D · RI		Jun 19, 2013
Sen. Rockefeller, John D., IV [D-WV]	D · WV		Jul 23, 2013

Committee Activity

Committee	Chamber	Activity	Date
Finance Committee	Senate	Referred To	Apr 25, 2013

Subjects & Policy Tags

Policy Area:

Taxation

Related Bills

Bill	Relationship	Last Action
113 HR 2990	Related bill	Aug 2, 2013: Referred to the House Committee on Ways and Means.
113 HR 1578	Related bill	Apr 23, 2013: Referred to the Subcommittee on Health.
113 S 194	Related bill	Feb 4, 2013: Sponsor introductory remarks on measure. (CR S466)

Tobacco Tax and Enforcement Reform Act - Amends the Internal Revenue Code, with respect to the taxation of tobacco products, to:

- increase excise taxes on small cigars, cigarettes, pipe tobacco, roll-your-own tobacco, and other tobacco products;
- impose an excise tax on smokeless tobacco sold in discrete single-use units;
- tax smokeless tobacco and other tobacco products at a level equivalent to the tax rate for cigarettes on an estimated per use basis;
- provide for annual inflation adjustments after 2013 to excise tax rates on cigarettes and tobacco products;
- restrict the sale, lease, export or import, or delivery of tobacco production machines to persons lawfully engaged in: (1) the sale, lease, export or import, or delivery of such machines; (2) the manufacture or packaging of tobacco products or processed tobacco; or (3) the application of unique identification markings onto tobacco products or processed tobacco packages;
- define "tobacco production machine" as a machine used to manufacture or package tobacco products or processed tobacco or to apply unique identification markings or other tax-payment indicia to packages of tobacco products or processed tobacco;
- require manufacturers and importers of tobacco products to affix a unique identification marking to each package of tobacco products or processed tobacco prior to sale or distribution in the United States or prior to export;
- direct the Secretary of the Treasury to design a system of unique identification markings that does not interfere with state, local, or tribal tax stamps and markings;
- require manufacturers, sellers, or importers of tobacco production machines to apply for and obtain permits to manufacture or import tobacco products;
- establish new criminal offenses relating to the licensing and distribution of tobacco products or processed tobacco;
- increase the civil penalty for tobacco-related infractions from \$1,000 to \$10,000; and
- allow sharing of tax return information with government officials for the administration of laws relating to tobacco products and processed tobacco.

Requires the Secretary of the Treasury to coordinate with other federal agencies and officials to prevent and reduce tobacco tax evasion and contraband trafficking in tobacco products and processed tobacco and to enforce settlement agreements between tobacco companies and governmental entities.

Amends the Tariff Act of 1930 to impose a civil penalty for the importation of tobacco products and cigarette papers and tubes by fraudulent means.

Provides for the enforcement of this Act in Indian tribal areas.

Actions Timeline

- **Apr 25, 2013:** Introduced in Senate
- **Apr 25, 2013:** Read twice and referred to the Committee on Finance.