

April 3, 2003

S 917. RAISE CIGARETTE/ALCOHOL TAX FOR MEDICAID. TO RAISE THE EXCISE TAX ON CIGARETTES; TO STREAMLINE THE TAXATION OF LIQUOR AND CHANGE THE DISTRIBUTION OF EXCISE TAXES ON ALCOHOL; AND TO PHASE OUT THE COUNTY SHARE OF MEDICAID COSTS. Includes same provisions for the phasing out of the counties' share of Medicaid costs that are included in S 915, digested in today's bulletin. Amends GS 105-113.5 to raise the excise tax on cigarettes from 2 ½ mills to 3 cents per cigarette. Amends GS 105-113.80(c) to increase from 25% to 36% the excise tax on liquor sold in ABC stores. Adds new GS 105-113.81B to direct the Sec'y of Revenue to credit to the Dept. of Health and Human Services (HHR) on a quarterly basis seven-tenths percent (0.7%) of the net proceeds of the excise tax collected on liquor during the previous quarter. Directs HHR to spend these funds for the treatment of alcoholism or substance abuse, or for research on those topics. Amends GS 105-113.82(a) to direct the Sec'y of Revenue to distribute annually 15% of the net amount of excise taxes collected (after distributions to the Dept. of Agriculture and HHR) to cities and counties in which an ABC system is established and 5% of such amount to cities and counties in which an ABC system is not established but sales of malt beverages, unfortified wine, or fortified wine are allowed.

Deletes references in statute to illicit alcoholic beverages and their taxation. Makes numerous conforming changes to GS 18B-804(b), GS 18B-805, GS 18B-600(e4)(3); GS 105-113.106, and GS 105-113.82. Repeals GS 105-113.107(d) and GS 105-113.108(b)(4).

Intro. by Clodfelter.

Ref. to	GS 18B, 105, 108A, APPROP
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