

April 3, 2003

**S 988. RAISE CIGARETTE TAX.** *TO RAISE THE EXCISE TAX ON CIGARETTES TO PROVIDE FOR A PRESCRIPTION DRUG BENEFIT FOR SENIORS AND TO REDUCE CLASS SIZES.* Amends GS 105-113.5 to increase tax on cigarettes to 2.25 cents per cigarette, 35% of proceeds of tax increase to be credited to Trust Fund for Public Schools and 65% to be credited to Health and Wellness Trust Fund for a prescription drug benefit for low-income elderly residents. Adds new GS 143-15.3E establishing Trust Fund for Public Schools, funds to be used to reduce public school K-3 class size. Effective Jan. 1, 2004.

**Intro. by Reeves.**

Ref. to	GS 105, 143
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