

March 4, 2009

**S 410. INCREASE CIG. TAX/PROCEEDS TO MHTF.** Filed 3/4/09. *TO INCREASE TO THE NATIONAL AVERAGE THE RATE OF TAX ON CIGARETTES AND TO CREDIT THE NET PROCEEDS OF THIS INCREASE TO THE MENTAL HEALTH TRUST FUND, AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.*

Amends GS 105-113.5 to raise the tax on cigarettes sold or possessed for sale by a distributor from 1.75 cents to 5.95 cents per individual cigarette. Provides that net proceeds collected under this section be distributed as follows: 70% to the Trust Fund for Mental Health, Developmental Disabilities and Substance Abuse Services and Bridge Funding Needs created by GS 143C-9-2 and 30% to the General Fund. Effective July 1, 2009.

**Intro. by Nesbitt.**

GS 105