
HOUSE BILL 1914

State of Washington

55th Legislature

1997 Regular Session

By Representatives Grant, Pennington, Scott, Thompson, Mielke, Cairnes, Sherstad, Ballasiotes, Buck, Schoesler, Robertson, Hickel, Kessler, Romero, Linville, Hatfield, Sheldon, Benson, Wensman, Mitchell, Dyer, Alexander, Blalock, Morris, Hankins and Backlund

Read first time 02/13/97. Referred to Committee on Finance.

1 AN ACT Relating to taxation of cigars; amending RCW 82.26.010; and
2 adding a new section to chapter 82.26 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 82.26 RCW
5 to read as follows:

6 (1) There is levied and there shall be collected a tax upon the
7 sale, use, consumption, handling, or distribution of all cigars in this
8 state at the rate of twenty-five percent of the wholesale sales price
9 of the cigars.

10 (2) The moneys collected under this section shall be deposited in
11 the health services account created under RCW 43.72.900.

12 **Sec. 2.** RCW 82.26.010 and 1995 c 278 s 16 are each amended to read
13 as follows:

14 As used in this chapter:

15 (1) "Tobacco products" means ((cigars, cheroots, stogies,))
16 periques, granulated, plug cut, crimp cut, ready rubbed, and other
17 smoking tobacco, snuff, snuff flour, cavendish, plug and twist tobacco,
18 fine-cut and other chewing tobaccos, shorts, refuse scraps, clippings,

1 cuttings and sweepings of tobacco, and other kinds and forms of
2 tobacco, prepared in such manner as to be suitable for chewing or
3 smoking in a pipe or otherwise, or both for chewing and smoking, but
4 shall not include cigarettes as defined in RCW 82.24.010 and cigars;

5 (2) "Manufacturer" means a person who manufactures and sells
6 tobacco products;

7 (3) "Distributor" means (a) any person engaged in the business of
8 selling tobacco products in this state who brings, or causes to be
9 brought, into this state from without the state any tobacco products
10 for sale, (b) any person who makes, manufactures, or fabricates tobacco
11 products in this state for sale in this state, (c) any person engaged
12 in the business of selling tobacco products without this state who
13 ships or transports tobacco products to retailers in this state, to be
14 sold by those retailers;

15 (4) "Subjobber" means any person, other than a manufacturer or
16 distributor, who buys tobacco products from a distributor and sells
17 them to persons other than the ultimate consumers;

18 (5) "Retailer" means any person engaged in the business of selling
19 tobacco products to ultimate consumers;

20 (6) "Sale" means any transfer, exchange, or barter, in any manner
21 or by any means whatsoever, for a consideration, and includes and means
22 all sales made by any person. It includes a gift by a person engaged
23 in the business of selling tobacco products, for advertising, as a
24 means of evading the provisions of this chapter, or for any other
25 purposes whatsoever;

26 (7) "Wholesale sales price" means the established price for which
27 a manufacturer sells a tobacco product to a distributor, exclusive of
28 any discount or other reduction;

29 (8) "Business" means any trade, occupation, activity, or enterprise
30 engaged in for the purpose of selling or distributing tobacco products
31 in this state;

32 (9) "Place of business" means any place where tobacco products are
33 sold or where tobacco products are manufactured, stored, or kept for
34 the purpose of sale or consumption, including any vessel, vehicle,
35 airplane, train, or vending machine;

36 (10) "Retail outlet" means each place of business from which
37 tobacco products are sold to consumers;

38 (11) "Department" means the state department of revenue; and

1 (12) "Cigar" means any roll for smoking made wholly or in part of
2 tobacco, irrespective of size or shape and irrespective of the tobacco
3 being flavored, adulterated, or mixed with any other ingredient, where
4 such roll has a wrapper or cover made wholly or in the greater part
5 made of natural leaf tobacco in its natural state. "Cigar" includes
6 stogies and cheroots.

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