

**LOCAL CONDITIONAL
FISCAL IMPACT**

Drafting Number: LLS 15-0841	Date: March 9, 2015
Prime Sponsor(s): Rep. Becker K.; Priola Sen. Hodge	Bill Status: House Local Government
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BILL TOPIC: ELIM PENALTY TO INCREASE COMPLIANCE CIGARETTE SALE

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures		
FTE Position Change		
Appropriation Required: None.		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

This bill eliminates the prohibition on local governments that levy fees or taxes on selling cigarettes from receiving a portion of state cigarette tax revenue.

Background

Cities and counties receive 27 percent of state cigarette tax revenue. This revenue is distributed based on where the cigarette sales occurred. To receive their share of state cigarette tax revenue among these governments, cities and counties cannot impose any taxes or fees on the selling of cigarettes. Currently, no local jurisdictions have fees, licenses, or taxes on the selling of cigarettes.

Local Government Impact

Currently, no local jurisdiction imposes fees or taxes on selling cigarettes. The impact of this bill is conditional on a local government receiving voter approval to levy a tax on cigarettes or applying a fee or license. This bill does not change the total amount of revenue received by the state or local governments.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Revenue
Municipalities
Healthcare Policy and Financing

Counties
Public Health and Environment