

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7368**

**BILL NUMBER: SB 371**

**NOTE PREPARED: Jan 7, 2009**

**BILL AMENDED:**

**SUBJECT:** Nonsmoking tobacco products tax.

**FIRST AUTHOR:** Sen. Kruse

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** \_\_\_ **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Increases the tobacco products tax (nonsmoking) from 24% to 31% of the wholesale price. Reduces the collection allowance from 0.006 to 0.0052 of the amount due. Provides that \$1,500,000 of the revenue from the increase is appropriated to the department of health for prenatal substance abuse programs and the remainder of the increase is deposited in the Indiana check-up plan trust fund.

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

**Fiscal Analyst:** Diana Agidi, .