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## A BILL FOR AN ACT

RELATING TO CIGARETTE TAX.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The purpose of this Act is to clarify that the  
2 moneys earmarked from the cigarette tax collected on each  
3 cigarette sold pursuant to section 245-15, Hawaii Revised  
4 Statutes, for deposit into the Hawaii cancer research special  
5 fund, the trauma system special fund, the emergency medical  
6 services special fund, and the community health centers special  
7 fund shall be assessed on a per cigarette basis. In addition,  
8 this Act ensures that moneys are earmarked for each special fund  
9 through 2011 and beyond.

10           SECTION 2. Section 245-15, Hawaii Revised Statutes, is  
11 amended to read as follows:

12           "**§245-15 Disposition of revenues.** All moneys collected  
13 pursuant to this chapter shall be paid into the state treasury  
14 as state realizations to be kept and accounted for as provided  
15 by law; provided that, of the moneys collected under the tax  
16 imposed pursuant to section 245-3(a) that represents the  
17 difference between the 7.0 cents for each cigarette sold, used,



1 or possessed by a wholesaler or dealer under section [~~245-~~  
2 ~~3(a)(1)~~] 245-3(a)(4) and the amount of tax imposed and collected  
3 on each cigarette sold, used, or possessed by a wholesaler or  
4 dealer under [~~section 245-3(a)(2), (3), (4), (5), (6), and (7):~~]  
5 the following:

6 (1) [~~From~~] Section 245-3(a)(5), from September 30, 2006,  
7 to September 29, 2007, 1.0 cent per cigarette shall be  
8 deposited to the credit of the Hawaii cancer research  
9 special fund, established pursuant to section [~~+~~]304A-  
10 2168[~~+~~], for research and operating expenses;

11 (2) [~~From~~] Section 245-3(a)(6), from September 30, 2007,  
12 to September 29, 2008:

13 (A) 1.5 cents per cigarette shall be deposited to the  
14 credit of the Hawaii cancer research special  
15 fund, established pursuant to section  
16 [~~+~~]304A-2168[~~+~~], for research and operating  
17 expenses; [~~and~~]

18 (B) 0.25 cents [~~of the moneys~~] per cigarette shall be  
19 deposited to the credit of the trauma system  
20 special fund established pursuant to section  
21 321-22.5; and



1 (C) 0.25 cents [~~of the moneys~~] per cigarette shall be  
2 deposited to the credit of the emergency medical  
3 services special fund established pursuant to  
4 section 321-234;

5 (3) [~~From~~] Section 245-3(a)(7), from September 30, 2008,  
6 to September 29, 2009:

7 (A) 2.0 cents per cigarette shall be deposited to the  
8 credit of the Hawaii cancer research special  
9 fund, established pursuant to section  
10 [+]304A-2168[+], for research and operating  
11 expenses; [~~and~~]

12 (B) 0.5 cents [~~of the moneys~~] per cigarette shall be  
13 deposited to the credit of the trauma system  
14 special fund established pursuant to section  
15 321-22.5;

16 (C) 0.25 cents [~~of the moneys~~] per cigarette shall be  
17 deposited to the credit of the community health  
18 centers special fund; and

19 (D) 0.25 cents [~~of the moneys~~] per cigarette shall be  
20 deposited to the credit of the emergency medical  
21 services special fund established pursuant to  
22 section 321-234;



1           (4) ~~[From]~~ Section 245-3(a)(8), from September 30, 2009,  
2           to September 29, 2010:

3           (A) 2.0 cents per cigarette shall be deposited to the  
4           credit of the Hawaii cancer research special  
5           fund, established pursuant to section  
6           ~~[+]304A-2168[+]~~, for research and operating  
7           expenses; ~~[and]~~

8           (B) 0.75 cents ~~[of the moneys]~~ per cigarette shall be  
9           deposited to the credit of the trauma system  
10          special fund established pursuant to section  
11          321-22.5;

12          (C) 0.75 cents ~~[of the moneys]~~ per cigarette shall be  
13          deposited to the credit of the community health  
14          centers special fund; and

15          (D) 0.5 cents ~~[of the moneys]~~ per cigarette shall be  
16          deposited to the credit of the emergency medical  
17          services special fund established pursuant to  
18          section 321-234;

19          (5) ~~[From]~~ Section 245-3(a)(9), from September 30, 2010,  
20          to September 29, 2011:

21          (A) 2.0 cents per cigarette shall be deposited to the  
22          credit of the Hawaii cancer research special



- 1 fund, established pursuant to section  
2 [~~+~~]304A-2168[~~+~~], for research and operating  
3 expenses; [~~and~~]
- 4 (B) 1.0 cent [~~of the moneys~~] per cigarette shall be  
5 deposited to the credit of the trauma system  
6 special fund established pursuant to section  
7 321-22.5;
- 8 (C) 1.0 cent [~~of the moneys~~] per cigarette shall be  
9 deposited to the credit of the community health  
10 centers special fund; and
- 11 (D) 1.0 cent [~~of the moneys~~] per cigarette shall be  
12 deposited to the credit of the emergency medical  
13 services special fund established pursuant to  
14 section 321-234; and
- 15 (6) [~~From~~] Section 245-3(a)(10), from September 30, 2011,  
16 and thereafter:
- 17 (A) 2.0 cents per cigarette shall be deposited to the  
18 credit of the Hawaii cancer research special  
19 fund, established pursuant to section  
20 [~~+~~]304A-2168[~~+~~], for research and operating  
21 expenses; [~~and~~]



1 (B) 1.5 cents [~~of the moneys~~] per cigarette shall be  
2 deposited to the credit of the trauma system  
3 special fund established pursuant to section  
4 321-22.5;

5 (C) 1.25 cents [~~of the moneys~~] per cigarette shall be  
6 deposited to the credit of the community health  
7 centers special fund; and

8 (D) 1.25 cents [~~of the moneys~~] per cigarette shall be  
9 deposited to the credit of the emergency medical  
10 services special fund established pursuant to  
11 section 321-234.

12 The department shall provide an annual accounting of these  
13 dispositions to the legislature."

14 SECTION 3. Statutory material to be repealed is bracketed  
15 and stricken. New statutory material is underscored.

16 SECTION 4. This Act shall take effect upon its approval.  
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INTRODUCED BY: Josh Green up

JAN 18 2007



**Report Title:**

Health Research; Cigarette Tax

**Description:**

Clarifies that the cigarette tax money earmarked to fund the cancer research center of Hawaii, emergency medical services, trauma care, and community health centers shall be calculated on a per cigarette basis.

