



SENATE MOTION

MR. PRESIDENT:

I move that Engrossed House Bill 1001 be amended to read as follows:

1 Page 105, between lines 4 and 5, begin a new paragraph and insert:
2 "SECTION 80. IC 6-7-1-0.4, AS ADDED BY P.L.220-2011,
3 SECTION 161, IS AMENDED TO READ AS FOLLOWS
4 [EFFECTIVE JULY 1, 2025]: Sec. 0.4. **(a)** Notwithstanding section 14
5 of this chapter, revenue stamps paid for before July 1, 2007, and in the
6 possession of a distributor may be used after June 30, 2007, only if the
7 full amount of the tax imposed by section 12 of this chapter, as
8 effective after June 30, 2007, and as amended by P.L.218-2007, is
9 remitted to the department under the procedures prescribed by the
10 department.

11 **(b) Notwithstanding section 14 of this chapter, revenue stamps**
12 **paid for before July 1, 2025, and in the possession of a distributor,**
13 **may be used after June 30, 2025, only if the full amount of the tax**
14 **imposed by section 12 of this chapter, as amended and effective**
15 **after June 30, 2025, is remitted to the department under the**
16 **procedures prescribed by the department.**

17 SECTION 81. IC 6-7-1-12, AS AMENDED BY P.L.191-2016,
18 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2025]: Sec. 12. The following taxes are imposed, and shall be
20 collected and paid as provided in this chapter, upon the sale, exchange,
21 bartering, furnishing, giving away, or otherwise disposing of cigarettes
22 within the state of Indiana:

23 (1) On cigarettes weighing not more than three (3) pounds per
24 thousand (1,000), a tax at the rate of ~~four and nine hundred~~
25 ~~seventy-five thousandths cents (\$0.04975)~~ **fourteen and nine**
26 **hundred seventy-five thousandths cents (\$0.14975)** per
27 individual cigarette.

1 (2) On cigarettes weighing more than three (3) pounds per
 2 thousand (1,000), a tax at the rate of ~~six and six hundred twelve~~
 3 ~~thousandths cents (\$0.06612)~~ **nineteen and nine-tenths cents**
 4 **(\$0.199)** per individual cigarette, except that if any cigarettes
 5 weighing more than three (3) pounds per thousand (1,000) shall
 6 be more than six and one-half (6 1/2) inches in length, they shall
 7 be taxable at the rate provided in subdivision (1), counting each
 8 two and three-fourths (2 3/4) inches (or fraction thereof) as a
 9 separate cigarette.

10 SECTION 82. IC 6-7-2-7, AS AMENDED BY P.L.236-2023,
 11 SECTION 91, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2025]: Sec. 7. (a) A tax is imposed on the distribution of
 13 tobacco products in Indiana at the following rates:

14 (1) ~~Twenty-four percent (24%)~~ **Forty-four percent (44%)** of the
 15 wholesale price of tobacco products other than moist snuff.

16 (2) For moist snuff, ~~forty cents (\$0.40)~~ **seventy-four cents**
 17 **(\$0.74)** per ounce, and a proportionate tax at the same rate on all
 18 fractional parts of an ounce. If the tax calculated for a fractional
 19 part of an ounce carried to the third decimal place results in the
 20 numeral in the third decimal place being greater than four (4), the
 21 amount of the tax shall be rounded to the next additional cent.

22 (3) ~~For cigars twenty-four percent (24%)~~ **Forty-four percent**
 23 **(44%)** of the wholesale price of a cigar. However the tax imposed
 24 per cigar shall not exceed ~~one dollar (\$1)~~: **three dollars (\$3)**.

25 (b) A tax is imposed on the distribution of alternative nicotine
 26 products in Indiana at a rate of forty cents (\$0.40) per ounce, and a
 27 proportionate tax at the same rate on all fractional parts of an ounce,
 28 calculated based upon the product weight as listed by the manufacturer.
 29 If the tax calculated for a fractional part of an ounce carried to the third
 30 decimal place being greater than four (4), the amount of the tax shall
 31 be rounded to the next additional cent.

32 (c) The distributor of the tobacco products or alternative nicotine
 33 products is liable for the tax imposed under subsections (a) or (b). The
 34 tax is imposed at the time the distributor:

35 (1) brings or causes tobacco products or alternative nicotine
 36 products to be brought into Indiana for distribution;

37 (2) manufactures tobacco products or alternative nicotine
 38 products in Indiana for distribution;

39 (3) transports tobacco products or alternative nicotine products to
 40 retail dealers in Indiana for resale by those retail dealers; or

41 (4) first receives the tobacco products or alternative nicotine
 42 products in Indiana in the case of a distributor or distributor
 43 transactions.

44 (d) The Indiana general assembly finds that the tax rate on
 45 smokeless tobacco should reflect the relative risk between such
 46 products and cigarettes.

1 (e) A consumer who purchases untaxed tobacco products or
 2 alternative nicotine products from a distributor or retailer is liable for
 3 the tax imposed under subsections (a) or (b).

4 SECTION 83. IC 6-7-4-9, AS AMENDED BY P.L.118-2024,
 5 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2025]: Sec. 9. (a) An excise tax, known as the electronic
 7 cigarette tax, is imposed on the retail sale of consumable material and
 8 vapor products in Indiana.

9 (b) The electronic cigarette tax equals ~~fifteen percent (15%)~~
 10 **twenty-six percent (26%)** of the gross retail income received by the
 11 retail dealer for the sale.

12 (c) The person who acquires consumable material or vapor products
 13 in a retail transaction is liable for the tax on the transaction, and, except
 14 as otherwise incorporated in this chapter, shall pay the tax to the retail
 15 dealer as a separate added amount to the consideration in the
 16 transaction. A retail dealer that either:

17 (1) has a physical presence in Indiana, as described in
 18 IC 6-2.5-2-1(c); or

19 (2) meets the threshold in IC 6-2.5-2-1(d);

20 shall collect and remit the tax as an agent for the state.

21 (d) If the tax is not collected by the retail dealer, the consumer is
 22 responsible to remit the tax to the department. A retail dealer that is
 23 required to collect and remit tax under this chapter is jointly and
 24 severally liable for uncollected tax absent proof of exemption or
 25 payment by the purchaser.

26 (e) Before the fifteenth day of each month, each retail dealer liable
 27 for the collection and remittance of the tax imposed by this chapter
 28 shall:

29 (1) file a return with the department that includes all information
 30 required by the department including, but not limited to:

31 (A) the name of the retail dealer;

32 (B) the address of the retail dealer; and

33 (C) the certificate number of the retail dealer's electronic
 34 cigarette retail dealer's certificate; and

35 (2) pay the tax for which it is liable under this chapter for the
 36 preceding month.

37 All returns required to be filed and taxes required to be paid under this
 38 chapter must be made in an electronic format prescribed by the
 39 department.

40 (f) All of the provisions of IC 6-2.5 relating to rights, duties,
 41 liabilities, procedures, penalties, definitions, exemptions, and
 42 administration apply to the imposition and administration of the tax
 43 imposed under this section, except to the extent such provisions are in
 44 conflict or inconsistent with the specific provisions of this chapter.

45 (g) A marketplace facilitator (as defined in IC 6-2.5-1-21.9) who is
 46 considered a retail merchant under IC 6-2.5-4-18 for a transaction to

- 1 which this chapter applies shall collect and remit electronic cigarette
- 2 taxes imposed on the retail transaction."
- 3 Renumber all SECTIONS consecutively.
 (Reference is to EHB 1001 as printed April 11, 2025.)

Senator YODER