

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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HOUSE DRH70113-SQfz-14 (02/27)

Short Title: Increase Cig. Tax/Proceeds to MHTF. (Public)

Sponsors: Representative Insko.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO INCREASE TO THE NATIONAL AVERAGE THE RATE OF TAX ON  
3 CIGARETTES AND TO CREDIT THE NET PROCEEDS OF THIS INCREASE TO THE  
4 MENTAL HEALTH TRUST FUND, AS RECOMMENDED BY THE JOINT  
5 LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH,  
6 DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.  
7 The General Assembly of North Carolina enacts:  
8 **SECTION 1.** G.S. 105-113.5 reads as rewritten:  
9 "**§ 105-113.5. Tax on cigarettes.**  
10 A tax is levied on the sale or possession for sale in this State, by a distributor, of all  
11 cigarettes at the rate of ~~one and three fourths cents (1.75¢)~~ five and ninety-five hundredths cents  
12 (5.95¢) per individual cigarette. The Secretary shall credit the net proceeds collected under this  
13 Part as follows:  
14 (1) Seventy percent (70%) to the Trust Fund for Mental Health, Developmental  
15 Disabilities, and Substance Abuse Services and Bridge Funding Needs  
16 established under G.S. 143C-9-2.  
17 (2) Thirty percent (30%) to the General Fund."  
18 **SECTION 2.** This act becomes effective July 1, 2009.

