

113TH CONGRESS
1ST SESSION

S. _____

To amend the Internal Revenue Code of 1986 to provide tax rate parity among all tobacco products, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. DURBIN (for himself, Mr. LAUTENBERG, and Mr. BLUMENTHAL) introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Internal Revenue Code of 1986 to provide tax rate parity among all tobacco products, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Tobacco Tax Equity
5 Act of 2013”.

6 **SEC. 2. ESTABLISHING EXCISE TAX EQUITY AMONG ALL TO-**
7 **BACCO PRODUCT TAX RATES.**

8 (a) TAX PARITY FOR PIPE TOBACCO AND ROLL-
9 YOUR-OWN TOBACCO.—Section 5701(f) of the Internal

1 Revenue Code of 1986 is amended by striking “\$2.8311
2 cents” and inserting “\$24.78”.

3 (b) TAX PARITY FOR SMOKELESS TOBACCO.—

4 (1) Section 5701(e) of the Internal Revenue
5 Code of 1986 is amended—

6 (A) in paragraph (1), by striking “\$1.51”
7 and inserting “\$13.42”;

8 (B) in paragraph (2), by striking “50.33
9 cents” and inserting “\$5.37”; and

10 (C) by adding at the end the following:

11 “(3) SMOKELESS TOBACCO SOLD IN DISCRETE
12 SINGLE-USE UNITS.—On discrete single-use units,
13 \$50.33 per thousand.”.

14 (2) Section 5702(m) of such Code is amend-
15 ed—

16 (A) in paragraph (1), by striking “or chew-
17 ing tobacco” and inserting “chewing tobacco, or
18 discrete single-use unit”;

19 (B) in paragraphs (2) and (3), by inserting
20 “that is not a discrete single-use unit” before
21 the period in each such paragraph;

22 (C) by adding at the end the following:

23 “(4) DISCRETE SINGLE-USE UNIT.—The term
24 ‘discrete single-use unit’ means any product con-
25 taining tobacco that—

1 “(2) any other product containing tobacco that
2 is intended or expected to be consumed.”.

3 (2) TAX RATE.—Section 5701 of the Internal
4 Revenue Code of 1986 is amended by adding at the
5 end the following new subsection:

6 “(i) OTHER TOBACCO PRODUCTS.—Any product de-
7 scribed in section 5702(c)(2) or not otherwise described
8 under this section, including any product that has been
9 determined to be a tobacco product by the Food and Drug
10 Administration through its authorities under the Family
11 Smoking Prevention and Tobacco Control Act, shall be
12 taxed at a level of tax equivalent to the tax rate for ciga-
13 rettes on an estimated per use basis as determined by the
14 Secretary.”.

15 (f) EFFECTIVE DATES.—

16 (1) IN GENERAL.—Except as provided in para-
17 graph (2), the amendments made by this section
18 shall apply to articles removed (as defined in section
19 5702(j) of the Internal Revenue Code of 1986) after
20 the last day of the month which includes the date of
21 the enactment of this Act.

22 (2) DISCRETE SINGLE-USE UNITS AND PROC-
23 ESSED TOBACCO.—The amendments made by sub-
24 sections (b)(1)(C), (b)(2), and (d) shall apply to ar-
25 ticles removed (as defined in section 5702(j) of the

1 Internal Revenue Code of 1986) after the date that
2 is 6 months after the date of the enactment of this
3 Act.