



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
(803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number: H. 3849 Signed by Governor on March 20, 2019
Author: G.M Smith
Subject: Cigarette Stamp Tax
Requestor: House of Representatives
RFA Analyst(s): Mitchell
Impact Date: May 15, 2019

Fiscal Impact Summary

This bill will have no expenditure or revenue impact on the General Fund, Other Funds, or Federal Funds for the Department of Revenue, as it does not materially alter the collection of stamp taxes on cigarettes.

Explanation of Fiscal Impact

Signed by Governor on March 20, 2019

State Expenditure

This bill provides a grace period on the enforcement of the stamp tax on cigarettes, to allow that unstamped packages of cigarettes for which taxes have been paid are not considered contraband goods during the period beginning January 1, 2019, and ending October 1, 2019, provided that a report regarding the unstamped packages was filed with the Department of Revenue by March 31, 2019.

The Department of Revenue indicates that the provisions of the bill do not materially or financially alter the responsibilities or oversight of the department. As such, the bill will have no expenditure impact on the General Fund, Federal Funds, or Other Funds.

State Revenue

The Department of Revenue collects stamp taxes on cigarettes brought into the state. This bill relates to packages of cigarettes for which taxes have been paid, but a stamp has not been applied. The department indicates that the total number of unstamped packages of cigarettes for which taxes have been paid in the state is small, and are expected to be sold before July 1, 2019. The department further indicates that all wholesalers of cigarettes are currently in compliance with the provisions of the bill. As such, stamp tax revenue will not be impacted by the provisions of this bill. The bill will have no revenue impact on the General Fund, Federal Funds, or Other Funds for the Department of Revenue.

Local Expenditure

N/A

Local Revenue

N/A

A handwritten signature in blue ink that reads "Frank A. Rainwater".

Frank A. Rainwater, Executive Director