



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1407

PRINTER'S NO. 1572

PRIME SPONSOR: Boyd

COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
General Fund	\$0	\$0

SUMMARY:

House Bill 1407, Printer's Number 1572 would amend the definition for "units sold" in the Tobacco Settlement Agreement Act.

ANALYSIS:

This bill amends the Tobacco Settlement Agreement Act to revise the definition of "units sold" to be the number of individual cigarettes sold in Pennsylvania by the applicable tobacco product manufacturer during the year in question on which the Commonwealth has authority under Federal law to collect State excise tax, notwithstanding whether the State excise taxes were imposed or collected by the Commonwealth unless the cigarettes are exempt from State excise taxes under Federal law.

The Office of Attorney General would be required to attempt to obtain consent from participating manufacturers under the Master Settlement Agreement for the change in the definition of "units sold." If consent is obtained, the Office of Attorney General would need to provide notice to the Secretary of Revenue and transmit notice of the consent to the Legislative Reference Bureau for publication in the next available issue of the Pennsylvania Bulletin. If consent is not obtained, the Office of Attorney General would similarly need to notify the Secretary of Revenue and transmit a notice of refusal to the Legislative Reference Bureau for publication in the Pennsylvania Bulletin.

The revision to the definition of "units sold" would take effect 60 days after publication of the notice of consent in the Pennsylvania Bulletin.

FISCAL IMPACT:

This bill will have no adverse impact on Commonwealth funds.

PREPARED BY: Brittany Van Strien

House Appropriations Committee (D)

DATE: June 22, 2023

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.