

**SB0883/529332/1**

BY: Budget and Taxation Committee

AMENDMENTS TO SENATE BILL 883  
(First Reading File Bill)

AMENDMENT NO. 1

On page 2, in line 13, strike “12–105(b),”; and after line 20, insert:

“BY repealing and reenacting, with amendments,

Article - Tax - General

Section 12-105(b)

Annotated Code of Maryland

(2016 Replacement Volume and 2020 Supplement)

(As enacted by Chapter 37 of the Acts of the General Assembly of 2021)”.

AMENDMENT NO. 2

On page 9, in lines 21 and 26, in each instance, strike the bracket; in line 23, strike “(1)” and substitute “**(I)**”; and in line 25, strike “(2)” and substitute “**(II)**”.

On page 10, strike in their entirety lines 18 through 30, inclusive, and substitute:

“(b) (1) Except as provided in paragraph (2) of this subsection, the tobacco tax rate for other tobacco products is 53% of the wholesale price of the tobacco products.

(2) (i) In this paragraph, “pipe tobacco” and “premium cigars” have the meanings stated in § 16.5–101 of the Business Regulation Article.

(ii) 1. Except as provided in subparagraph 2 of this subparagraph, the tobacco tax rate for cigars is 70% of the wholesale price of the cigars.

2. The tobacco tax rate for premium cigars is 15% of:

A. the wholesale price of the premium cigars; OR

(Over)

**B. FOR PREMIUM CIGARS SOLD BY AN OUT-OF-STATE SELLER, THE PRICE DETERMINED UNDER SUBSECTION (C) OF THIS SECTION.**

(iii) The tobacco tax rate for pipe tobacco is 30% of:

**1. the wholesale price of the pipe tobacco; OR**

**2. FOR PIPE TOBACCO SOLD BY AN OUT-OF-STATE SELLER, THE PRICE DETERMINED UNDER SUBSECTION (C) OF THIS SECTION.”.**