

# **REPORT OF THE SALES & USE TAX AND INCOME TAX SUBCOMMITTEE**

(B. Newton, Hosey, Stavrinakis, Taylor & Crawford - Staff Contact: Mills Carlton)

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## **HOUSE BILL 4303 Cigarettes for Heating**

### **Summary of Bill:**

This bill amends section 12-21-620, to tax cigarettes for heating one and one-quarter mills on each cigarette, differentiating them from combustible cigarettes which are taxed at three and one half mills on each cigarette.

### **Estimated Fiscal Impact:**

Pending

### **Subcommittee Action/Explanation:**

Received **FAVORABLE REPORT AS AMENDED** on April 23, 2025.

### **Full Committee Action/Explanation:**

### **Other Notes/Comments:**

The subcommittee adopted an amendment that increases the tax on each cigarette for heating to ten mills.

**SOUTH CAROLINA**  
**HOUSE AMENDMENT**

AMENDMENT NO. \_\_\_\_\_

David Good  
April 23, 2025

ADOPTED	REJECTED	TABLED	ADJOURN DEBATE	RECONSIDERED	ROO

\_\_\_\_\_  
Clerk of the House

ADOPTION NO. \_\_\_\_\_

**BILL NO: H. 4303**

(Reference is to the original version)

Rep. Newton proposes the following amendment (LC-4303.DG0001H):

Amend the bill, as and if amended, SECTION 1, by striking Section 12-21-620(A)(2) and inserting:

(2) upon all cigarettes for heating made of tobacco or any substitute for tobacco, ~~one and~~  
~~one-quarter~~ten mills on each cigarette;

Renumber sections to conform.  
Amend title to conform.

**South Carolina General Assembly**  
126th Session, 2025-2026

**H. 4303**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Gatch, Cobb-Hunter, Sessions, M.M. Smith, Brewer, Rutherford, Gagnon, Guest, Guffey, Weeks and Hosey

Companion/Similar bill(s): 519

Document Path: LC-0215DG25.docx

Introduced in the House on April 3, 2025

Currently residing in the House

Summary: Cigarettes for heating

**HISTORY OF LEGISLATIVE ACTIONS**

Date	Body	Action Description with journal page number
4/3/2025	House	Introduced and read first time (House Journal-page 20)
4/3/2025	House	Referred to Committee on <b>Ways and Means</b> (House Journal-page 20)
4/9/2025	House	Member(s) request name added as sponsor: Hosey

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**VERSIONS OF THIS BILL**

04/03/2025

1  
2  
3  
4  
5  
6  
7  
8  
9 **A BILL**  
10

11 TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 12-21-620,  
12 RELATING TO TAX RATES ON PRODUCTS CONTAINING TOBACCO, SO AS TO TAX  
13 CIGARETTES FOR HEATING ONE AND ONE-QUARTER MILLS ON EACH CIGARETTE.  
14

15 Be it enacted by the General Assembly of the State of South Carolina:  
16

17 SECTION 1. Section 12-21-620 of the S.C. Code is amended to read:  
18

19 Section 12-21-620. (A) There shall be levied, assessed, collected, and paid in respect to the articles  
20 containing tobacco enumerated in this section the following amounts:

21 (1) upon all cigarettes for smoking made of tobacco or any substitute for tobacco, three and  
22 one-half mills on each cigarette;

23 (2) upon all cigarettes for heating made of tobacco or any substitute for tobacco, one and  
24 one-quarter mills on each cigarette;

25 ~~(2)(3)~~ upon all tobacco products, as defined in Section 12-21-800, five percent of the  
26 manufacturer's price.

27 Manufacturer's price as used in this section is the established price at which a manufacturer sells to  
28 a wholesaler.

29 (B) As used in this section, "cigarette" means:

30 (1) any roll for smoking or heating under ordinary conditions of use containing tobacco or any  
31 substitute for tobacco wrapped in paper or in any substance other than a tobacco leaf; or

32 (2) any roll for smoking or heating under ordinary conditions of use containing tobacco or any  
33 substitute for tobacco, wrapped in any substance, weighing three pounds per thousand or less, however  
34 labeled or named, which because of its appearance, size, type of tobacco used in the filler, or its  
35 packaging, pricing, marketing, or labeling, is likely to be offered to, or purchased by, consumers as a  
36 cigarette described in item (1) of this subsection.  
37

38 SECTION 2. This act takes effect October 1, 2025.  
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