



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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<b>Bill Number:</b>	H. 3849	Amended by the House of Representatives on February 7, 2019
<b>Author:</b>	G.M Smith	
<b>Subject:</b>	Cigarette Stamp Tax	
<b>Requestor:</b>	Senate Finance	
<b>RFA Analyst(s):</b>	Mitchell	
<b>Impact Date:</b>	February 15, 2019	

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**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**

**Amended by the House of Representatives on February 7, 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.

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, reading "Frank A. Rainwater".

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Frank A. Rainwater, Executive Director