

1 S.198

2 Representative Kornheiser of Brattleboro moves that the House proposal of
3 amendment be amended by striking out Sec. 11, taxation of tobacco
4 substitutes; tax stamps; report, in its entirety and inserting in lieu thereof a new
5 Sec. 11 to read as follows:

6 Sec. 11. TAXATION OF TOBACCO SUBSTITUTES; TAX STAMPS;
7 REPORT

8 (a) The Office of the Attorney General, in collaboration with the
9 Departments of Taxes and of Liquor and Lottery and in consultation with
10 wholesale dealers and other interested stakeholders, shall:

11 (1) identify efficient and effective processes by which to impose taxes
12 on tobacco products and tobacco substitutes, as defined in 7 V.S.A. § 1001, as
13 amended by this act, including opportunities to base taxation on a product's
14 nicotine concentration or on the volume of a product's nicotine tank, or both;
15 and

16 (2) evaluate the continued use of tax stamps in this State as evidence of
17 payment of the excise tax on tobacco products and tobacco substitutes, as
18 defined in 7 V.S.A. § 1001, as amended by this act; explore the potential to
19 transition to a more modern process, such as quick-response (QR) codes or
20 other digitized systems; and consider the advantages and disadvantages of
21 using alternative approaches for certifying tax compliance.

1 (b) On or before January 15, 2027, the Office of the Attorney General shall
2 provide its findings and recommendations for the items set forth in subsection
3 (a) of this section, including proposed next steps and legislative needs, to the
4 House Committees on Commerce and Economic Development, on Human
5 Services, and on Ways and Means and the Senate Committees on Economic
6 Development, Housing and General Affairs; on Finance; and on Health and
7 Welfare.