



SPONSOR: Rep. Brady  
Reps. Bennett, Kowalko, Viola; Sens. Bonini, Sturgeon

HOUSE OF REPRESENTATIVES  
150th GENERAL ASSEMBLY

HOUSE BILL NO. 98

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO TOBACCO PRODUCT TAXATION AND LICENSING.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend Chapter 53, of Title 30, of the Delaware Code by making deletions as shown by strikethrough,  
2 insertions as shown by underline and redesignating as follows:

3 § 5301. Definitions.

4 (11) “Premium cigars” means any roll for smoking that is made entirely of tobacco and has all of the  
5 following characteristics:

6 a. The cigar has a binder or wrapper that is 100 percent leaf tobacco, and the cigar is hand-rolled.

7 b. The cigar contains no filter or tip, or any mouthpiece consisting of a material other than tobacco, or any  
8 additional flavoring other than tobacco.

9 § 5305. Levy of tax, limitation; exemption.

10 ~~(b)~~(b)(1) A tax is imposed and assessed upon the sale or use of all tobacco products, except those tobacco products  
11 under subsection (a) or (c) of this section, within this State at the rate of 30% of the wholesale price on such products.

12 (2) Notwithstanding paragraph (b)(1) of this section, premium cigars may not be taxed at a rate exceeding  
13 15% of the wholesale price on such products.

SYNOPSIS

This act imposes a tax at the rate of 15% of the wholesale cost of a premium cigar. A premium cigar means any roll for smoking that is made entirely of tobacco with a wrapper, binder and filler that is 100 percent leaf tobacco, is hand rolled and contains no filter or tip or any mouthpiece consisting of material other than tobacco or additional tobacco flavoring.