

101ST CONGRESS
2D SESSION

H. R. 5715

To amend the Internal Revenue Code of 1986 to impose an annual \$1,000 tax on each cigarette vending machine, and to provide that revenues from such tax be used by the Centers for Disease Control to fund reduced tobacco use programs.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 25, 1990

Mr. STARK introduced the following bill; which was referred jointly to the Committees on Ways and Means and Energy and Commerce

A BILL

To amend the Internal Revenue Code of 1986 to impose an annual \$1,000 tax on each cigarette vending machine, and to provide that revenues from such tax be used by the Centers for Disease Control to fund reduced tobacco use programs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 SECTION 1. ANNUAL TAX ON CIGARETTE VENDING MACHINES.

4 (a) IN GENERAL.—Subchapter D of chapter 52 of the
5 Internal Revenue Code of 1986 (relating to tobacco products)
6 is amended by adding at the end thereof the following new
7 section:

1 "SEC. 5732. TAX ON OPERATION OF CIGARETTE VENDING MA-
2 CHINES.

3 "(a) GENERAL RULE.—Every person who owns any
4 vending machine through which cigarettes are sold or offered
5 for sale shall pay a tax of \$1,000 per year with respect to
6 each such machine.

7 "(b) CERTAIN OCCUPATIONAL TAX RULES TO
8 APPLY.—Rules similar to the rules of subpart G of part II of
9 subchapter A of chapter 51 shall apply for purposes of this
10 section.

11 "(c) PENALTY FOR FAILURE TO REGISTER.—If—

12 "(1) any person is required by subsection (a) to
13 pay tax with respect to any vending machine, and

14 "(2) such person willfully fails to pay such tax,
15 such person shall be fined not more than \$5,000, imprisoned
16 not more than 2 years, or both, for each machine with re-
17 spect to which there is such a failure for any year.

18 "(d) ADDITIONAL TAX.—The tax imposed by this sec-
19 tion shall be in addition to any other tax imposed under this
20 chapter."

21 (b) CLERICAL AMENDMENT.—The table of sections for
22 such subchapter is amended by adding at the end thereof the
23 following new item:

"Sec. 5732. Tax on operation of cigarette vending machines."

24 (c) EFFECTIVE DATE.—The amendments made by this
25 section shall take effect on January 1, 1991.

1 SEC. 2. REVENUES FROM CIGARETTE VENDING MACHINE TAX
2 TO BE USED FOR TOBACCO-RELATED PRO-
3 GRAMS OF THE CENTER FOR DISEASE CON-
4 TROL.

5 (a) IN GENERAL.—Subchapter A of chapter 98 of the
6 Internal Revenue Code of 1986 (relating to trust fund code)
7 is amended by adding at the end thereof the following new
8 section:

9 "SEC. 9511. REDUCED TOBACCO USE PROGRAM TRUST FUND.

10 "(a) CREATION OF TRUST FUND.—There is established
11 in the Treasury of the United States a trust fund to be known
12 as the 'Reduced Tobacco Use Program Trust Fund', consist-
13 ing of such amounts as may be appropriated or credited to
14 such Trust Fund as provided in this section or section
15 9602(b).

16 "(b) TRANSFERS TO TRUST FUND.—There are hereby
17 appropriated to the Reduced Tobacco Use Program Trust
18 Fund amounts equivalent to the revenues received in the
19 Treasury from the tax imposed by section 5732 (relating to
20 tax on cigarette vending machines).

21 "(c) EXPENDITURES FROM TRUST FUND.—Amounts
22 in the Reduced Tobacco Use Program Trust Fund shall be
23 available, as provided in appropriation Acts, only to the Cen-
24 ters for Disease Control for purposes of carrying out the to-
25 bacco priority goals and objectives of the Healthy People
26 2000 Report prepared by the Public Health Service and

1 other such goals and objectives directed toward reducing the
2 incidence and prevalence of smoking-induced diseases.”

3 (b) CLERICAL AMENDMENT.—The table of sections for
4 such subchapter A is amended by adding at the end thereof
5 the following new item:

“Sec. 9511. Reduced Tobacco Use Program Trust Fund.”

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