



State of Wisconsin  
2021 - 2022 LEGISLATURE

LRB-0430/P4  
EKL:amn&wlj

DOA:.....Ziegler, BB0108 - Taxation of little cigars

**FOR 2021-2023 BUDGET -- NOT READY FOR INTRODUCTION**

AN ACT ...; relating to: the budget.

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*Analysis by the Legislative Reference Bureau*

**TAXATION**

**GENERAL TAXATION**

***Little cigars***

This bill taxes little cigars at the same rate as the excise tax imposed on cigarettes. Under current law, all cigars are taxed at the rate of 71 percent of the manufacturer's established list price, limited to 50 cents per cigar. Under the bill, little cigars are taxed at the rate of 126 mills per little cigar, regardless of weight. The bill defines "little cigar" to mean a cigar that has an integrated cellulose acetate filter and is wrapped in any substance containing tobacco.

For further information see the state fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

**SECTION 1.** 139.44 (4) of the statutes is amended to read:

139.44 (4) Any person who refuses to permit the examination or inspection authorized in s. 139.39 (2) or 139.83 (1) may be fined not more than \$500 or

imprisoned not more than 90 days or both. Such refusal shall be cause for immediate suspension or revocation of permit by the secretary.

**SECTION 2.** 139.75 (1m) of the statutes is created to read:

139.75 (1m) “Cigar” means a roll, of any size or shape, of tobacco for smoking that is made wholly or in part of tobacco, regardless of whether the tobacco is pure, flavored, adulterated, or mixed with an ingredient if the roll has a wrapper made wholly or in part of tobacco.

**SECTION 3.** 139.75 (4t) of the statutes is created to read:

139.75 (4t) “Little cigar” means a cigar that has an integrated cellulose acetate filter and is wrapped in a substance containing tobacco.

**SECTION 4.** 139.75 (12) of the statutes is amended to read:

139.75 (12) “Tobacco products” means cigars; little cigars, cheroots; stogies; periques; granulated, plug cut, crimp cut, ready-rubbed and other smoking tobacco; snuff, including moist snuff; snuff flour; cavendish; plug and twist tobacco; fine cut and other chewing tobaccos; shorts; refuse scraps, clippings, cuttings and sweepings of tobacco and other kinds and forms of tobacco prepared in such manner as to be suitable for chewing or smoking in a pipe or otherwise, or both for chewing and smoking; but “tobacco products” does not include cigarettes, as defined under s. 139.30 (1m).

**SECTION 5.** 139.76 (1b) of the statutes is created to read:

139.76 (1b) The tax under sub. (1) is imposed on little cigars at the rate of 126 mills on each little cigar, regardless of weight. To evidence payment of the tax imposed under this section on little cigars, the department shall provide stamps. A person who has paid the tax shall affix stamps of the proper denomination to each package in which little cigars are packed, prior to the first sale within this state.

Section 139.32 as it applies to the tax under s. 139.31 applies to the tax imposed under this section on little cigars.

**SECTION 6.** 139.78 (1b) of the statutes is created to read:

139.78 **(1b)** A tax is imposed and levied upon the use or storage of little cigars in this state by any person for any purpose. The tax is levied and shall be collected at the same rate as provided for in s. 139.76 (1b). The tax under this subsection does not apply if the tax imposed by s. 139.76 (1) has been paid or if the little cigars are exempt from tax under s. 139.76 (2).

**SECTION 7.** 139.83 of the statutes is renumbered 139.83 (1).

**SECTION 8.** 139.83 (2) of the statutes is created to read:

139.83 **(2)** Sections 139.315, 139.32, 139.321, 139.322, 139.34, 139.35, 139.36, 139.362, 139.363, 139.38, 139.395, 139.41, 139.42, 139.43, and 139.44 (8), as they apply to the taxes under subch. II, apply to the administration and enforcement of this subchapter for little cigars.

**(END)**