

February 10, 2017

The Honorable Caryn Tyson, Chairperson
Senate Committee on Assessment and Taxation
Statehouse, Room 123-E
Topeka, Kansas 66612

Dear Senator Tyson:

SUBJECT: Fiscal Note for SB 130 by Senate Committee on Assessment and Taxation

In accordance with KSA 75-3715a, the following fiscal note concerning SB 130 is respectfully submitted to your committee.

Under current law, the tax rate of \$0.20 per milliliter of consumable material for electronic cigarettes went into effect on January 1, 2017. SB 130 would define consumable material to mean any liquid nicotine or other solution containing nicotine that is in the final product sold to consumers that is depleted as an electronic cigarette is used. The bill also puts the statute dealing with the tax on electronic cigarettes in the Kansas Cigarette and Tobacco Products Act.

The Department of Revenue estimates that SB 130 would have no fiscal effect on state revenues. The Department indicates the bill would have no administrative costs.

Sincerely,



Shawn Sullivan,
Director of the Budget

cc: Jack Smith, Department of Revenue