

March 4, 2020

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 3457 (Schultz) / S.F. 3512 (Chamberlain)

	Fund Impact			
	<u>F.Y. 2020</u>	<u>F.Y. 2021</u>	<u>F.Y. 2022</u>	<u>F.Y. 2023</u>
		(000's)		
General Fund	\$0	(\$15,000)	(\$15,000)	(\$15,000)
Special Revenue Fund	\$0	\$15,000	\$15,000	\$15,000

Effective for revenue received after June 30, 2020.

EXPLANATION OF THE BILL

Current Law: Revenue from the cigarette excise tax is deposited in the general fund, except for two dedications. A special revenue fund is credited \$22,250,000 annually with funds appropriated to the Academic Health Center at the University of Minnesota. An additional \$3,937,000 is credited annually to the medical education and research costs account.

Proposed Law: The bill would create a new tobacco prevention and cessation costs account in the special revenue fund. Each year \$15,000,000 is credited to the account and is to be appropriated to the commissioner of health for tobacco prevention and cessation projects and initiatives.

REVENUE ANALYSIS DETAIL

- Cigarette excise tax revenue of \$408.2 million was deposited into the state general fund in fiscal year 2019

Minnesota Department of Revenue
Tax Research Division
[https://www.revenue.state.mn.us/
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