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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO TAXATION -- CIGARETTE, OTHER TOBACCO PRODUCTS, AND  
ELECTRONIC NICOTINE-DELIVERY SYSTEM PRODUCTS

Introduced By: Representatives Caldwell, McEntee, and O'Brien

Date Introduced: February 12, 2026

Referred To: House Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 44-20-12 of the General Laws in Chapter 44-20 entitled "Cigarette,  
2   Other Tobacco Products, and Electronic Nicotine-Delivery System Products" is hereby amended  
3   to read as follows:

4           **44-20-12. Tax imposed on cigarettes sold.**

5           (a) A tax is imposed on all cigarettes sold or held for sale in the state. The payment of the  
6   tax to be evidenced by stamps, which may be affixed only by licensed distributors to the packages  
7   containing such cigarettes. Any cigarettes on which the proper amount of tax provided for in this  
8   chapter has been paid, payment being evidenced by the stamp, is not subject to a further tax under  
9   this chapter. The tax is at the rate of two hundred twenty-five (225) mills for each cigarette.

10          (b) Any tax imposed under this chapter shall be reduced by seventy-five percent (75%) for  
11   any product the Secretary of the United States Department of Health and Human Services  
12   determines to be a modified risk tobacco product pursuant to the federal Food, Drug, and Cosmetic  
13   Act, 21 U.S.C § 387k. For the purpose of this section, "modified risk tobacco product" means any  
14   tobacco product that is sold or distributed for use to reduce the harm or the risk of tobacco-related  
15   disease associated with commercially marketed tobacco products.

16          SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
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ELECTRONIC NICOTINE-DELIVERY SYSTEM PRODUCTS

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1           This act would reduce the cigarette tax imposed by seventy-five percent (75%) for any  
2   modified risk tobacco product as defined in § 21 U.S.C. 387K as a tobacco product sold or  
3   distributed to reduce the harm or risk of tobacco-related disease associated with commercially  
4   marketed tobacco products.

5           This act would take effect upon passage.

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