

Department of Finance		Fund: 0086
STATE OF CALIFORNIA MANUAL OF STATE FUNDS		PAGE 1 Renumbered From:
<u>Legal Title</u> Cigarette Tax Fund		
<u>Legal Citation/Authority</u> Chapter 1040, Statutes of 1959 Revenue and Taxation Code sections 30001-30483 (30461 Creation)		
<u>Fund Classification</u> <u>GAAP Basis</u> Governmental/General Fund	<u>Fund Classification</u> <u>Legal Basis</u> Governmental/Feeder Funds	
<u>Purpose</u> The Cigarette Tax Fund was established as the depository for the tax proceeds from the Cigarette Tax Law for regulating and taxing the sale of cigarettes. The original purpose of the tax was to provide revenue for the General Fund. However, Chapter 963, Statutes of 1967 amended the law to provide for allocation of a portion of the revenue received after October 1, 1967 to cities and counties. The tax is collected directly on the distributors of cigarettes for sale in the state.		
<u>Administering Agency/Organization Code</u> The State Board of Equalization/Org 0860 collects the tax on distributors of cigarettes. The State Controller/Org 0840 apportions the moneys collected to cities and counties, as prescribed in the code, and transfers the balance to the General Fund.		
<u>Major Revenue Source</u> Taxes on the distribution of cigarettes. Penalties and interest.		
<u>Disposition of Fund (upon abolishment)</u> Thirty percent of the moneys collected, less refunds and administrative expenses, is allocated to the cities and counties in accordance with the Revenue and Taxation Code and the remainder is transferred to the General Fund.		
<u>Appropriation Authority</u> Revenue and Taxation Code section 30462 appropriates the fund.		
<u>State Appropriations Limit</u> Always Excluded - The major revenue source in this fund is a) derived from a Feeder fund b) the revenues have already been counted in or will be counted in an included fund and should not be double counted or will be deposited into an always excluded fund. Revenue in this fund is transferred to the Breast Cancer Fund (0004), California Children and Families Trust Fund (0623), Cigarette and Tobacco Surtax Account (0230), and the General Fund (0001).		
<u>Comments/Historical Information</u>		

