

[(a) Except as provided in subsection (d) of this section, the] THE tobacco tax rate is:

[(1) the base tobacco tax rate under subsection (b) of this section; and

(2) if applicable, the supplemental tobacco tax rate under subsection (c) of this section.

(b) The base tobacco tax rate is:]

(1) 6.5 cents for each package of 10 or fewer cigarettes;

(2) 13 cents for each package of at least 11 and not more than 20 cigarettes; [and]

(3) 0.65 of a cent for each cigarette in a package of more than 20 cigarettes[.

(c) (1) If the federal tax rate for cigarettes under 26 United States Code § 5701(b)(1) is decreased to a rate that is less than 0.8 of a cent for each cigarette, the supplemental tobacco tax rate is:

(i) the amount of the federal tax rate decrease below 0.8 of a cent for each cigarette multiplied by 10 for a package of 10 or fewer cigarettes;

(ii) the amount of the federal tax rate decrease below 0.8 of a cent for each cigarette multiplied by 20 for a package of at least 11 but not more than 20 cigarettes; and

(iii) the amount of the federal tax rate decrease below 0.8 of a cent for each cigarette multiplied by the number of cigarettes in a package of more than 20 cigarettes.

(2) A supplemental tobacco tax rate under paragraph (1) of this subsection is effective as of the 30th day after the effective date of a change in the federal tax rate that imposes or changes the supplemental tobacco tax rate.

(3) All cigarettes in the possession of or sold by a wholesaler on or after the effective date of a supplemental tobacco tax rate under paragraph (2) of this subsection are taxed at the increased rate.

(d) The tobacco tax rate for a package of free sample cigarettes is]; AND

(4) 0.65 of a cent for each cigarette IN A PACKAGE OF FREE SAMPLE CIGARETTES.