Tobacco Action Network. 1875 Eye Street, N.W., Washington, D.C. 20006 800-424-9876

December 30, 1982

W-I approved by STATE ACTIVITIES POLICY COMMITTEE Phone to Mozingo TRC VAN.4.

Ernest Pepples, Esquire 1.5.83 Mr. Shepard P. Pollack

Mr. W. E. Ainsworth, Jr. James R. Cherry, Esquire

Mr. K.v.R. Dey, Jr,

From:

John D. Kelly

Cigarette Tax Increase Legislation in South Carolina

BACKGROUND

On December 14, the South Carolina House Ways and Means Committee, in an unprecedented pre-session move, reported out H-2050, a prefiled bill which proposes to increase the cigarette tax from 7-to-9¢ per pack. A minority report was attached to the committee report which places this legislation on the contested calendar. This bill could be considered during the first week of the 1983 session of the General Assembly which convenes on Tuesday, January 11.

The State of South Carolina is faced with a budget short-fall for 1982 of \$59 million and an estimated short-fall of \$89 million for 1983. The Ways and Means Committee staff estimated that a 2¢ per pack tax increase would generate an additional \$8 million per year for the state.

ACTION REQUESTED

We request immediate approval for all <u>company employees residing in</u> the State of <u>South Carolina</u> to be urged to <u>write letters of opposition</u> to this increase to their State Senators and Representatives. In as much as South Carolina is not an organized TAN state, contact with company employees can either be made through Area Director John Bankhead or through your headquarters. If you would like John to contact your employees, please forward to him as soon as possible a list of your employees residing in South Carolina.

Due to time constraints this is a priority request. H-2050 could be considered as early as January 13, 1983.

Attached for your information are:

- 1. Copy of H-2050.
- 2. Suggested arguments against raising the state excise tax.
- 3. A list of names and addresses of South Carolina House and Senate members. Legislative districts are indicated by counties.

After a review of the South Carolina lobbying law, Covington and Burling has advised that this request does not require registration or reporting on the part of company employees so long as the letters are written on the employees' own time.

If you have any questions regarding this request, please contact Roger Mozingo.

JDK/s

Attachments

cc: Mr. Larry Bewley
James T. Breedlove, Esq.
Mr. Samuel D. Chilcote, Jr.
Mr. Steven C. Cohen
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