

105TH CONGRESS  
1ST SESSION

# H. R. 2897

To amend the Internal Revenue Code of 1986 to impose an excise tax on persons who operate vending machines that dispense tobacco products.

---

## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 7, 1997

Mr. LEWIS of Georgia (for himself, Mr. YATES, Mr. STARK, Mrs. MALONEY of New York, Mr. DAVIS of Illinois, and Mr. FALEOMAVAEGA) introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To amend the Internal Revenue Code of 1986 to impose an excise tax on persons who operate vending machines that dispense tobacco products.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EXCISE TAX ON VENDING MACHINES THAT DIS-**  
4 **PENSE TOBACCO PRODUCTS.**

5 (a) IN GENERAL.—Chapter 31 of the Internal Reve-  
6 nue Code of 1986 is amended by inserting after sub-  
7 chapter C the following new subchapter:

1       **“Subchapter D—Vending Machines That**  
2                   **Dispense Tobacco Products**

“Sec. 4061. Vending Machines That Dispense Tobacco Products.

3       **“SEC. 4061. VENDING MACHINES THAT DISPENSE TOBACCO**  
4                   **PRODUCTS.**

5           “(a) TAX.—Every owner of a vending machine shall  
6 pay a tax of \$500 per year on each vending machine in  
7 service in the United States from which a tobacco product  
8 is dispensed.

9           “(b) TOBACCO PRODUCT.—For purposes of this sec-  
10 tion, the term ‘tobacco product’ means any of the tobacco  
11 products specified in section 5702(c).

12           “(c) VENDING MACHINES IN SERVICE.—A vending  
13 machine shall not be treated as in service in any taxable  
14 year unless such machine has been in service for more  
15 than 7 days.

16           “(d) DEFINITION OF UNITED STATES.—For pur-  
17 poses of this section, the term ‘United States’ means the  
18 several States, the District of Columbia, and the terri-  
19 tories and possessions of the United States.

20           “(e) APPLICABLE RULES.—Under regulations pre-  
21 scribed by the Secretary, rules similar to the rules of sub-  
22 part G of part II of subchapter A of chapter 51 shall  
23 apply.”

24           (b) CONFORMING AMENDMENTS.—

1           (1) Subparagraph (A) of section 6423(d)(1) of  
2 such Code (relating to conditions to allowance in the  
3 case of alcohol and tobacco taxes) is amended by in-  
4 sserting “subchapter D of chapter 31,” before “chap-  
5 ter 51”, and by striking “taxes)” and inserting  
6 “taxes),”.

7           (2) Paragraph (1) of section 6651(a) of such  
8 Code (relating to addition to tax for failure to file  
9 tax returns or to pay tax) is amended by striking  
10 “or” before “subchapter A of chapter 53”, and by  
11 inserting after “firearms),” the following: “or sub-  
12 chapter D of chapter 31 (relating to vending ma-  
13 chines that dispense tobacco products),”.

14           (c) CLERICAL AMENDMENT.—The table of sub-  
15 chapters for chapter 31 of such Code is amended by in-  
16 sserting after the item relating to subchapter C the follow-  
17 ing new item:

                  “SUBCHAPTER D. Vending Machines That Dispense Tobacco  
                  Products.”

18           (d) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to taxable years beginning after  
20 the date of the enactment of this Act.

○