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(Original Signature of Member)

116TH CONGRESS  
1ST SESSION

**H. R.**

To amend the Internal Revenue Code of 1986 to impose a tax on nicotine used in vaping, etc.

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IN THE HOUSE OF REPRESENTATIVES

Mr. SUOZZI (for himself and Mr. KING of New York) introduced the following bill; which was referred to the Committee on

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**A BILL**

To amend the Internal Revenue Code of 1986 to impose a tax on nicotine used in vaping, etc.

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. IMPOSITION OF TAX ON NICOTINE FOR USE IN**  
4 **VAPING, ETC.**

5 (a) IN GENERAL.—Section 5701 of the Internal Rev-  
6 enue Code of 1986 is amended by redesignating subsection  
7 (h) as subsection (i) and by inserting after subsection (g)  
8 the following new subsection:

1       “(h) NICOTINE.—On taxable nicotine, manufactured  
2 in or imported into the United States, there shall be im-  
3 posed a tax equal to the dollar amount specified in section  
4 5701(b)(1) (or, if greater, \$50.33) per 1,810 milligrams  
5 of nicotine (and a proportionate tax at the like rate on  
6 any fractional part thereof).”.

7       (b) TAXABLE NICOTINE.—Section 5702 of such Code  
8 is amended by adding at the end the following new sub-  
9 section:

10       “(q) TAXABLE NICOTINE.—

11               “(1) IN GENERAL.—Except as otherwise pro-  
12 vided in this subsection, the term ‘taxable nicotine’  
13 means any nicotine which has been extracted, con-  
14 centrated, or synthesized.

15               “(2) EXCEPTION FOR FDA-APPROVED NICOTINE  
16 REPLACEMENT THERAPIES.—Such term shall not in-  
17 clude any nicotine if the manufacturer or importer  
18 thereof demonstrates to the satisfaction of the Sec-  
19 retary that such nicotine will be used in a product  
20 which has been approved by the Food and Drug Ad-  
21 ministration for sale as a nicotine replacement ther-  
22 apy.

23               “(3) COORDINATION WITH TAXATION OF OTHER  
24 TOBACCO PRODUCTS.—Cigars, cigarettes, smokeless  
25 tobacco, pipe tobacco, and roll-your-own tobacco

1 shall not be treated as containing taxable nicotine  
2 solely because the nicotine naturally occurring in the  
3 tobacco from which such product is manufactured  
4 has been concentrated during the ordinary course of  
5 manufacturing.”.

6 (c) TAXABLE NICOTINE TREATED AS A TOBACCO  
7 PRODUCT.—Section 5702(c) of such Code is amended by  
8 striking “and roll-your-own tobacco” and inserting “roll-  
9 your-own tobacco, and taxable nicotine”.

10 (d) MANUFACTURER OF TAXABLE NICOTINE.—Sec-  
11 tion 5702 of such Code is amended by adding at the end  
12 the following new subsection:

13 “(r) MANUFACTURER OF TAXABLE NICOTINE.—

14 “(1) IN GENERAL.—Any person who extracts,  
15 concentrates, or synthesizes nicotine shall be treated  
16 as a manufacturer of taxable nicotine (and as manu-  
17 facturing such taxable nicotine).

18 “(2) APPLICATION OF RULES RELATED TO  
19 MANUFACTURERS OF TOBACCO PRODUCTS.—Any  
20 reference to a manufacturer of tobacco products, or  
21 to manufacturing tobacco products, shall be treated  
22 as including a reference to a manufacturer of tax-  
23 able nicotine, or to manufacturing taxable nicotine,  
24 respectively.”.

1           (e) EFFECTIVE DATE.—The amendments made by  
2 this subsection shall apply to articles manufactured or im-  
3 ported in calendar quarters beginning more than 90 days  
4 after the date of the enactment of this Act.