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June 4, 2012

OPINION LETTER NO. 121-2012

The Honorable Robin Carnahan
Missouri Secretary of State
James C. Kirkpatrick State Information Center
600 West Main Street
Jefferson City, MO 65101

Dear Secretary Carnahan:

You have submitted a proposed fair ballot language statement for the initiative petition relating to cigarette and other tobacco product taxation (version G). The fair ballot language statement, prepared pursuant to § 116.025, RSMo, is as follows:

> A **"yes"** vote will amend Missouri law to create the Health and Education Trust Fund with proceeds from a tax on cigarettes and other tobacco products. The amount of tax is $0.0365 per cigarette and 25% of the manufacturer's invoice price for roll-your-own tobacco and 15% for other tobacco products. The Fund proceeds will be used to reduce and prevent tobacco use and for elementary, secondary, college, and university public school funding. This amendment also increases the amount that certain tobacco product manufacturers must maintain in their escrow accounts, to pay judgments or settlements, before any funds in escrow can be refunded to the tobacco product manufacturer and

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creates bonding requirements for these manufacturers.

A **"no"** vote will not change the current Missouri law regarding taxes on cigarettes and other tobacco products or the escrow account and bonding requirements for certain tobacco product manufacturers.

If passed, this measure will increase taxes on cigarettes and other tobacco products.

Pursuant to § 116.025, we approve the legal content and form of the proposed fair ballot language statement.

Because our review of the fair ballot language statement is mandated by statute, no action we take with respect to such review should be construed as an endorsement of the initiative petition, nor as the expression of any view regarding the objectives of its proponents.

Very truly yours,

CHRIS KOSTER
Attorney General