

105TH CONGRESS
1ST SESSION

H. R. 1323

To amend the Internal Revenue Code of 1986 to disallow deductions for advertising expenses for tobacco products.

IN THE HOUSE OF REPRESENTATIVES

APRIL 15, 1997

Mr. MCHALE (for himself, Mr. HANSEN, Mr. MEEHAN, Mr. OBERSTAR, Mr. YATES, Mr. HINCHEY, Ms. RIVERS, Mr. ACKERMAN, Mr. MILLER of California, Mr. LIPINSKI, Mr. GEJDENSON, Ms. FURSE, Mr. DELLUMS, Mr. EVANS, Ms. NORTON, and Ms. DELAURO) 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 disallow deductions for advertising expenses for 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. SHORT TITLE.**

4 This Act may be cited as the “Tobacco Advertising
5 Tax Reform Act”.

1 **SEC. 2. DISALLOWANCE OF DEDUCTIONS FOR ADVERTIS-**
 2 **ING EXPENSES RELATING TO TOBACCO**
 3 **PRODUCT USE.**

4 (a) IN GENERAL.—Part IX of subchapter B of chap-
 5 ter 1 of the Internal Revenue Code of 1986 (relating to
 6 items not deductible) is amended by adding at the end
 7 the following new section:

8 **“SEC. 280I. DISALLOWANCE OF DEDUCTION FOR TOBACCO**
 9 **ADVERTISING EXPENSES.**

10 “No deduction shall be allowed under this chapter for
 11 expenses for advertising cigars, cigarettes, smokeless to-
 12 bacco, pipe tobacco, or any similar tobacco product. For
 13 purposes of this section, any term used in this section
 14 which is also used in section 5702 shall have the same
 15 meaning given such term by section 5702.”

16 (b) CONFORMING AMENDMENT.—The table of sec-
 17 tions for such part IX is amended by adding after the
 18 item relating to section 280H the following new item:

“Sec. 280I. Disallowance of deduction for tobacco advertising
 expenses.”.

19 (c) EFFECTIVE DATE.—The amendments made by
 20 this section shall apply to taxable years ending after De-
 21 cember 31, 1996.

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