

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1969

To amend the Internal Revenue Code of 1986 to disallow the deduction for advertising or other promotion expenses with respect to sales of tobacco products.

---

IN THE HOUSE OF REPRESENTATIVES

MAY 4, 1993

Mr. SLATTERY 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 the deduction for advertising or other promotion expenses with respect to sales of 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 Reform and Revenue Enhancement Act of 1993”.

6 **SEC. 2. DISALLOWANCE OF DEDUCTION FOR TOBACCO**  
7 **PRODUCT SALES PROMOTION EXPENSES.**

8 (a) GENERAL RULE.—Part IX of subchapter B of  
9 chapter 1 of the Internal Revenue Code of 1986 (relating

1 to items not deductible) is amended by adding at the end  
2 thereof the following new section:

3 **“SEC. 280I. TOBACCO PRODUCT SALES PROMOTION EX-**  
4 **PENSES.**

5 “(a) GENERAL RULE.—No deduction shall be allowed  
6 under this chapter for any tobacco product sale promotion  
7 expense.

8 “(b) TOBACCO PRODUCT SALE PROMOTION EX-  
9 PENSE.—For purposes of this section—

10 “(1) IN GENERAL.—The term ‘or tobacco prod-  
11 uct sale promotion expense’ means any amount oth-  
12 erwise allowable as a deduction under this chapter  
13 with respect to—

14 “(A) any advertisement primarily for pur-  
15 poses of promoting the sale of tobacco products,  
16 or

17 “(B) any of the following incurred or pro-  
18 vided primarily for purposes described in sub-  
19 paragraph (A)—

20 “(i) travel expenses (including meals  
21 and lodging),

22 “(ii) any amount attributable to goods  
23 or services of a type generally considered  
24 to constitute entertainment, amusement, or  
25 recreation or to the use of a facility in con-

1                   nection with the providing of such goods or  
2                   services,

3                   “(iii) gifts, or

4                   “(iv) other promotion expenses.

5                   “(2) TOBACCO PRODUCTS.—The term ‘tobacco  
6                   products’ has the meaning given to such term by  
7                   section 5702(c).

8                   “(c) REGULATIONS.—The Secretary shall prescribe  
9                   such regulations as may be necessary to carry out the pur-  
10                  pose of this section.”.

11                  (b) CLERICAL AMENDMENT.—The table of sections  
12                  for part IX of subchapter B of chapter 1 of such Code  
13                  is amended by adding at the end thereof the following new  
14                  item:

                  “Sec. 280I. Tobacco product sales promotion expenses.”

15                  (c) EFFECTIVE DATE.—The amendments made by  
16                  this section shall apply to amounts paid or incurred after  
17                  the date of the enactment of this Act in taxable years end-  
18                  ing after such date.

○