

104TH CONGRESS  
1ST SESSION

# S. 596

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

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## IN THE SENATE OF THE UNITED STATES

MARCH 22 (legislative day, MARCH 16), 1995

Mr. HARKIN (for himself and Mr. BRADLEY) introduced the following bill;  
which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to disallow deductions for advertising and promotional 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. DISALLOWANCE OF DEDUCTIONS FOR ADVER-**  
4 **TISING AND PROMOTIONAL EXPENSES RE-**  
5 **LATING TO TOBACCO PRODUCT USE.**

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

1 **“SEC. 280I. DISALLOWANCE OF DEDUCTION FOR TOBACCO**  
2 **ADVERTISING AND PROMOTIONAL EX-**  
3 **PENSES.**

4 No deduction shall be allowed under this chapter for  
5 expenses relating to advertising or promoting cigars, ciga-  
6 rettes, smokeless tobacco, pipe tobacco, or any similar to-  
7 bacco product. For purposes of this section, any term used  
8 in this section which is also used in section 5702 shall  
9 have the same meaning given such term by section 5702.”

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

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

13 (c) EFFECTIVE DATE.—The amendments made by  
14 this section shall apply to taxable years ending after De-  
15 cember 31, 1995.

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