



STATE CIGARETTE EXCISE TAX RATES & RANKINGS

Overall All States' Average: \$1.46 per pack
 Major Tobacco States' Average: 48.5 cents per pack
 Other States' Average: \$1.59 per pack

State	Tax	Rank
Alabama	\$0.425	47th
Alaska	\$2.00	11th
Arizona	\$2.00	11th
Arkansas	\$1.15	29th
California	\$0.87	33rd
Colorado	\$0.84	34th
Connecticut	\$3.40	3rd
Delaware	\$1.60	20th
DC	\$2.50	10th
Florida	\$1.339	26th
Georgia	\$0.37	48th
Hawaii	\$3.20	4th
Idaho	\$0.57	42nd
Illinois	\$0.98	32nd
Indiana	\$0.995	31st
Iowa	\$1.36	25th
Kansas	\$0.79	36th
Kentucky	\$0.60	40th

State	Tax	Rank
Louisiana	\$0.36	49th
Maine	\$2.00	11th
Maryland	\$2.00	11th
Massachusetts	\$2.51	9th
Michigan	\$2.00	11th
Minnesota	\$1.586	22nd
Mississippi	\$0.68	37th
Missouri	\$0.17	51st
Montana	\$1.70	16th
Nebraska	\$0.64	38th
Nevada	\$0.80	35th
New Hampshire	\$1.68	18th
New Jersey	\$2.70	6th
New Mexico	\$1.66	19th
New York	\$4.35	1st
North Carolina	\$0.45	45th
North Dakota	\$0.44	46th
Ohio	\$1.25	27th

State	Tax	Rank
Oklahoma	\$1.03	30th
Oregon	\$1.18	28th
Pennsylvania	\$1.60	20th
Rhode Island	\$3.46	2nd
South Carolina	\$0.57	42nd
South Dakota	\$1.53	23rd
Tennessee	\$0.62	39th
Texas	\$1.41	24th
Utah	\$1.70	16th
Vermont	\$2.62	7th
Virginia	\$0.30	50th
Washington	\$3.025	5th
West Virginia	\$0.55	44th
Wisconsin	\$2.52	8th
Wyoming	\$0.60	40th
Puerto Rico	\$2.23	NA
Guam	\$3.00	NA
Northern Marianas	\$1.75	NA

Tax stamp includes 75¢ health impact fee & 35.6¢ cigarette sales tax (Commissioner of Revenue sets sales tax rate each August)

Table shows all cigarette tax rates in effect or will be in effect by August 1, 2011. Since 2002, 47 states, DC, and several U.S. territories have increased their cigarette tax rates 105 times. The three states in **bold type** have not increased their cigarette tax since 1999 or earlier. Currently, 29 states, DC, Puerto Rico, the Northern Marianas, and Guam have cigarette tax rates of \$1.00 per pack or higher; 14 states, DC, and Guam have cigarette tax rates of \$2.00 per pack or higher; five states and Guam have cigarette tax rates of \$3.00 per pack or higher; and one state (NY) has a cigarette tax rate more than \$4.00 per pack. Tobacco states are KY, VA, NC, SC, GA, and TN. States' average includes DC, but not Puerto Rico, other U.S. territories, or local cigarette taxes. The median tax rate is \$1.339 per pack. AK, MI, MN, MS, UT also have special taxes or fees on brands of manufacturers not participating in the state tobacco lawsuit settlements (NPMs).

The highest combined state-local tax rate is \$5.85 in New York City, with Chicago, IL second at \$3.66 per pack. Other high state-local rates include Evanston, IL at \$3.48 and Anchorage, AK at \$3.452 per pack. For more on local cigarette taxes, see: <http://tobaccofreekids.org/research/factsheets/pdf/0267.pdf>.

Federal cigarette tax is \$1.01 per pack. From the beginning of 1998 through 2002, the major cigarette companies increased the prices they charge by more than \$1.25 per pack (but also instituted aggressive retail-level discounting for competitive purposes and to reduce related consumption declines). In January 2003, Philip Morris instituted a 65-cent per pack price cut for four of its major brands, to replace its retail-level discounting and fight sales losses to discount brands, and R.J. Reynolds followed suit. In the last several years, Philip Morris, Reynolds American, and Lorillard have increased their product prices by almost \$1.00 per pack. **The U.S. Centers for Disease Control & Prevention estimates that smoking-caused health costs total \$10.47 per pack sold and consumed in the U.S.**

The average price for a pack of cigarettes nationwide is roughly \$5.95 (including statewide sales taxes but not local cigarette or sales taxes, other than NYC's \$1.50 per pack cigarette tax), with considerable state-to-state differences because of different state tax rates, and different manufacturer, wholesaler, and retailer pricing and discounting practices. AK, DE, MT, NH & OR have no state retail sales tax at all; MN & OK have a state sales tax but do not apply it to cigarettes; and AL, GA & MO (unlike the rest of the states) do not apply their state sales tax to that portion of retail cigarette prices that represents the state's cigarette excise tax.

Campaign for Tobacco-Free Kids, December 23, 2011 / Ann Boonn

For additional information see the Campaign's website at http://www.tobaccofreekids.org/what_we_do/state_local/taxes/.

Sources: Orzechowski & Walker, *Tax Burden on Tobacco*, 2010; media reports.