



## STATE CIGARETTE TAX INCREASES PER YEAR (& RECESSIONS) SINCE 1980

The following shows the number of state cigarette tax increases that went into effect each year since 1980, with special reference to those years (marked in **bold**) when the national economy was contracting or in a recessionary period. Data is not yet final for the contraction and recession that began in December 2007. State budget difficulties usually lag somewhat behind economic contractions and continue until some time after the economy begins expanding again; and state cigarette tax increases go into effect at some point after the increases are passed into law.

Year	State Tax Increases	Gross Tax Increase Amount (Per Pack)	Average Tax Increase (Per Pack)	Average Year-End State Tax (Per Pack)	Federal Tax (Per Pack)	Avg. Major Cigarette Co. Factory Price (Per Pack)	Adult Smoking Rate
<b>1980</b>	2	\$0.07	\$0.04	\$0.13	\$0.08	\$0.29	NA
<b>1981</b>	6 (1 decrease)	\$0.21	\$0.03	\$0.13	\$0.08	\$0.32	NA
<b>1982</b>	10	\$0.41	\$0.04	\$0.14	\$0.08	\$0.42	NA
1983	13	\$0.59	\$0.05	\$0.15	\$0.16	\$0.42	31.9%
1984	4	\$0.09	\$0.02	\$0.16	\$0.16	\$0.46	NA
1985	11	\$0.69	\$0.06	\$0.16	\$0.16	\$0.50	29.9%
1986	6	\$0.26	\$0.04	\$0.17	\$0.16	\$0.55	NA
1987	13	\$0.83	\$0.06	\$0.18	\$0.16	\$0.62	NA
1988	3	\$0.14	\$0.05	\$0.18	\$0.16	\$0.71	NA
1989	14 (1 decrease)	\$1.16	\$0.08	\$0.22	\$0.16	\$0.81	NA
<b>1990</b>	8	\$0.60	\$0.07	\$0.23	\$0.16	\$0.91	25.3%
<b>1991</b>	13 (1 decrease)	\$0.63	\$0.04	\$0.24	\$0.20	\$1.02	NA
1992	7	\$0.56	\$0.08	\$0.26	\$0.20	\$1.18	NA
1993	15 (2 decreases)	\$1.51	\$0.09	\$0.29	\$0.24	\$0.88	NA
1994	8	\$1.25	\$0.16	\$0.30	\$0.24	\$0.88	NA
1995	4	\$0.70	\$0.18	\$0.33	\$0.24	\$0.91	24.6%
1996	2	\$0.26	\$0.13	\$0.33	\$0.24	\$0.95	NA
1997	9	\$2.34	\$0.26	\$0.38	\$0.24	\$1.07	24.7%
1998	2	\$0.60	\$0.30	\$0.39	\$0.24	\$1.70	24.1%
1999	3	\$0.95	\$0.32	\$0.41	\$0.24	\$1.88	23.5%
2000	2	\$0.59	\$0.30	\$0.42	\$0.34	\$2.11	23.1%
<b>2001</b>	4	\$1.36	\$0.34	\$0.43	\$0.34	\$2.30	22.8%
2002	21 <sup>1</sup>	\$8.44	\$0.42	\$0.61	\$0.39	\$2.37	22.5%
2003	17 <sup>2</sup>	\$5.97	\$0.35	\$0.73	\$0.39	\$2.37	21.6%
2004	7 (1 decrease) <sup>3</sup>	\$2.64	\$0.33	\$0.78	\$0.39	\$2.37	20.9%
2005	12	\$6.99	\$0.58	\$0.92	\$0.39	\$2.37	20.9%
2006	6	\$2.04	\$0.34	\$1.00	\$0.39	\$2.28	20.8%
2007	10	\$5.63	\$0.56	\$1.07	\$0.39	\$2.28	19.8%
<b>2008</b>	8	\$5.90	\$0.74	\$1.19	\$0.39	NA	20.6%
2009 <sup>4</sup>	15	\$7.84	\$0.52	\$1.34	\$1.00 <sup>66/100</sup>	NA	NA

<sup>1</sup> Does not include increases in U.S. Territories Puerto Rico (which raised its tax from 83¢ to \$1.23).

<sup>2</sup> Does not include increase in U.S. Territory Guam (which raised its tax from 7¢ to \$1.00).

<sup>3</sup> Decrease was automatic termination of temporary 10-cent increase in OR, pursuant to law passed in prior year.

<sup>4</sup> Includes cigarette increases effective through 11/1/2009.

Data are for 50 states and DC, based on enactment dates of cigarette tax increases that have already been passed into law as of the document date marked below. Not reflected above are tax increases in U.S. territories or local governments (e.g., NYC raised its cigarette tax in 2002 by \$1.42 to \$1.50 per pack; in 2004 Cook County, IL, which includes Chicago, increased its tax by 82¢ to \$1.00 per pack and then by another \$1.00 to \$2.00; and in 2005 Chicago raised its own cigarette tax by 32¢ to 48¢ per pack and then by an additional 20¢ to 68¢ in 2006 – with the total state-local tax rate in Chicago now \$3.66 per pack). The AR, MT, NV, ND, OR, and TX legislatures are not in session in even-numbered years. KY's legislature used to meet only every other year but began meeting annually in 2001.

National Bureau of Economic Research U.S. business cycle contractions data, <http://www.nber.org/cycles.html>.

*Campaign for Tobacco-Free Kids, November 13, 2009 / Ann Boonn & Eric Lindblom*