



TRENDS IN AVERAGE STATE CIGARETTE TAX RATES

	Average State Cigarette Tax (cents per pack)*
12/31/01	43.4
12/31/02	61.1
12/31/03	72.9
12/31/04	78.0
12/31/05	91.7
12/31/06	99.7
12/31/07	110.7
12/31/08	118.3
12/31/09	133.7
12/31/10	144.0
12/31/11	145.7
12/31/12	147.8
12/31/13	153.1
12/31/14	153.6
12/31/15	160.4
12/31/16	164.8
7/1/18†	172.6

48 states and DC have implemented or passed 133 cigarette tax increases since the beginning of 2002, with 34 of those states and DC passing multiple tax increases. Currently, 36 states, DC, Puerto Rico, the Northern Marianas, and Guam have cigarette tax rates of \$1.00 per pack or higher; 18 states, DC, Puerto Rico, and Guam have cigarette tax rates of \$2.00 per pack or higher; eight states, Puerto Rico, and Guam have cigarette tax rates of \$3.00 per pack or higher; three states and Puerto Rico have cigarette tax rates of \$4.00 per pack or higher; and Puerto Rico has a cigarette tax rate higher than \$5.00. Also, several localities have their own cigarette tax rates in addition to their states' rates: New York City has a cigarette tax of \$1.50 (combined state/local cigarette tax \$5.85 per pack); Cook County, IL has a \$3.00 local tax; and Chicago has a \$1.18 local tax (combined state/local cigarette tax in Chicago \$6.16 per pack, the highest in the nation); Anchorage has a \$2.39 local tax (combined state/local rate of \$4.39 per pack); Aspen, CO has a \$3.00 local tax (combined state/local rate of \$3.84 per pack); Philadelphia has a \$2.00 local tax (combined state/local rate of \$4.60 per pack). [For other local cigarette tax rates, see <https://www.tobaccofreekids.org/assets/factsheets/0267.pdf>.]

Nationally, estimated smoking-caused health costs and lost productivity totals \$19.16 per pack. The federal cigarette tax is \$1.01 per pack, after a 60.66-cent increase on April 1, 2009.

From the beginning of 1998 to the end of 2002, the major cigarette companies increased the prices they charge by more than \$1.25 per pack. Over the same time period, the average state cigarette tax increased by less than 23 cents. [Orzechowski & Walker, *Tax Burden on Tobacco*, 2016 (industry-funded annual report); USDA Economic Research Service.]

Every state that has ever increased its cigarette tax rate has received more revenue than it would have obtained absent the rate increase. In fact, every state that has increased its cigarette tax by a significant amount has enjoyed a substantial increase in revenue, despite ongoing and tax-specific smoking declines and any ongoing or increased tax evasion. [See, e.g., Campaign for Tobacco-Free Kids factsheet, *Raising State Tobacco Taxes Always Increases State Revenues & Always Reduces Tobacco Use*, <https://www.tobaccofreekids.org/assets/factsheets/0098.pdf>.]

Campaign for Tobacco-Free Kids, June 5, 2018 / Ann Boonn

Additional factsheets on state cigarette taxes are available at <https://www.tobaccofreekids.org/fact-sheets/tobacco-control-policies/tobacco-taxes>.

* The listed rates are the average of state cigarette tax rates including all 50 U.S. states and the District of Columbia, but not U.S. Territories, which typically have tobacco tax rates higher than the state average and most localities.

† Does not include OK's \$1.00 increase, which was enacted into law, but is being challenged and may be put on the November 2018 ballot before it can go into effect.