



STATE CIGARETTE EXCISE TAX RATES & RANKINGS

Overall All States' Average: \$1.60 per pack
 Major Tobacco States' Average: 48.5 cents per pack
 Other States' Average: \$1.75 per pack

State	Tax	Rank
Alabama	\$0.675	39th
Alaska	\$2.00	12th
Arizona	\$2.00	12th
Arkansas	\$1.15	32nd
California	\$0.87	35th
Colorado	\$0.84	37th
Connecticut	\$3.65	3rd
Delaware	\$1.60	23rd
DC	\$2.50	11th
Florida	\$1.339	29th
Georgia	\$0.37	49th
Hawaii	\$3.20	5th
Idaho	\$0.57	44th
Illinois	\$1.98	17th
Indiana	\$0.995	34th
Iowa	\$1.36	28th
Kansas	\$1.29	31st
Kentucky	\$0.60	42nd

State	Tax	Rank
Louisiana	\$0.86	36th
Maine	\$2.00	12th
Maryland	\$2.00	12th
Massachusetts	\$3.51	4th
Michigan	\$2.00	12th
Minnesota	\$2.90	8th
Mississippi	\$0.68	38th
Missouri	\$0.17	51st
Montana	\$1.70	20th
Nebraska	\$0.64	40th
Nevada	\$1.80	18th
New Hampshire	\$1.78	19th
New Jersey	\$2.70	9th
New Mexico	\$1.66	22nd
New York	\$4.35	1st
North Carolina	\$0.45	47th
North Dakota	\$0.44	48th
Ohio	\$1.60	23rd

State	Tax	Rank
Oklahoma	\$1.03	33rd
Oregon	\$1.31	30th
Pennsylvania	\$1.60	23rd
Rhode Island	\$3.75	2nd
South Carolina	\$0.57	44th
South Dakota	\$1.53	26th
Tennessee	\$0.62	41st
Texas	\$1.41	27th
Utah	\$1.70	20th
Vermont	\$3.08	6th
Virginia	\$0.30	50th
Washington	\$3.025	7th
West Virginia	\$0.55	46th
Wisconsin	\$2.52	10th
Wyoming	\$0.60	42nd
Puerto Rico	\$2.23	NA
Guam	\$3.00	NA
Northern Marianas	\$1.75	NA

Table shows all cigarette tax rates in effect by October 1, 2015 (CT and AL effective 10/1/2015). Since 2002, 47 states, DC, and several U.S. territories have increased their cigarette tax rates more than 120 times. The states in bold last increased their tax in 2005 or earlier. Currently, 32 states, DC, Puerto Rico, the Northern Marianas, and Guam have cigarette tax rates of \$1.00 per pack or higher; 15 states, DC, Puerto Rico, and Guam have cigarette tax rates of \$2.00 per pack or higher; seven 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 \$1.53 per pack. AK, MI, MN, MS, TX, and 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 \$6.16 in Chicago, IL, with New York City second at \$5.85 per pack.

Other high state-local rates include Evanston, IL at \$5.48 and Juneau, AK at \$5.00 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, the major cigarette companies have increased their product prices by almost \$1.00 per pack. **Nationally, estimated smoking-caused health costs and lost productivity totals \$19.16 per pack.**

The average price for a pack of cigarettes nationwide is roughly \$6.25 (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; OK has a state sales tax, but does not apply it to cigarettes; MN & DC apply a per-pack sales tax at the wholesale level; 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, September 28, 2015 / 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*, 2013; media reports; state revenue department websites.