

CAMPAIGN For TOBACCO-FREE Kids[®]

STATE CIGARETTE EXCISE TAX RATES & RANKINGS

Major Tobacco States' Average: 8.2 cents per pack

Other States' Average: 65.5 cents per pack

Overall All States' Average: 58.8 cents per pack

State	Tax	Rank
Alabama	16.5	45th
Alaska	100	9th
Arizona	58	22nd
Arkansas	34	32nd
California	87	15th
Colorado	20	39th
Connecticut	111	8th
Delaware	24	36th
DC	65	20th
Florida	33.9	33rd
Georgia	12	46th
Hawaii¹	120	7th
Idaho	28	35th
Illinois	98	13th
Indiana	55.5	23rd
Iowa	36	29th
Kansas²	70	17th
Kentucky	3	50th

State	Tax	Rank
Louisiana	36	29th
Maine	100	9th
Maryland	100	9th
Massachusetts	151	1st
Michigan³	125	6th
Minnesota	48	26th
Mississippi	18	41st
Missouri	17	43rd
Montana	18	41st
Nebraska⁴	64	21st
Nevada	35	31st
New Hampshire	52	25th
New Jersey	150	2nd
New Mexico	21	38th
New York	150	2nd
North Carolina	5	49th
North Dakota	44	27th
Ohio	55	24th

State	Tax	Rank
Oklahoma	23	37th
Oregon	68	19th
Pennsylvania	100	9th
Rhode Island⁵	132	5th
South Carolina	7	48th
South Dakota	33	34th
Tennessee	20	39th
Texas	41	28th
Utah	69.5	18th
Vermont⁶	93	14th
Virginia	2.5	51st
Washington	142.5	4th
West Virginia	17	43rd
Wisconsin	77	16th
Wyoming	12	46th
Puerto Rico	123	NA

¹ Effective 10/1/02 with 10-cents added 7/1/03 & 7/1/04, & return to \$1 per pack 7/1/06.

² Goes up to 79 cents on 1/1/03.

³ As of 8/1/02

⁴ As of 10/1/02. Reverts to 34 cents 10/1/04.

⁵ Goes up to \$1.50 7/1/03 with 10-cent increases on 7/1 in each of next five years.

⁶ Goes up to \$1.19 on 1/1/03.

The 18 states and Puerto Rico that have passed new cigarette increases in 2002 are in **bold type**. In November 2001, voters in Washington State overwhelmingly passed a 60-cent cigarette tax increase that went into effect 1/1/2002. New York City increased its local cigarette tax from eight cents to \$1.50 per pack, effective 7/1/02.

State averages include all increases scheduled to occur in 2002. Tobacco States are KY, VA, NC, SC, GA, TN. State averages do not include Puerto Rico. Including Puerto Rico (which is larger than more than 20 states and DC, based on population), raises the average state cigarette tax to 60.0 cents per pack and the non-tobacco state average to 66.8 cents. Federal cigarette tax is 39 cents per pack. Since the beginning of 1998, the major cigarette companies have increased the prices they charge by more than \$1.25 per pack .

The average price for a pack of cigarettes nationwide is roughly \$3.80 (including statewide sales taxes but not including local cigarette or local sales taxes), with considerable state-to-state differences because of the different state cigarette rates, different state sales tax rates and rules, and different manufacturer, wholesaler, and retailer pricing and discounting practices. AK, DE, MT, NH & OR have no state sales tax at all; CO has a state sales tax but it does not apply to cigarettes; and AL, GA & MO do not apply their state sales tax to that portion of retail cigarette prices that represents the state's cigarette excise tax.

Sources: Orzechowski & Walker, *Tax Burden on Tobacco*, 2002; media reports; Economic Research Service, U.S. Department of Agriculture, *Tobacco Briefing Room Website*, <http://www.ers.usda.gov/Briefing/tobacco>.

For additional information on state cigarette taxes and the many benefits from increasing them, see the Campaign's website at <http://tobaccofreekids.org/reports/prices>.

The National Center for Tobacco-Free Kids, July 27, 2002 / Eric Lindblom