



STATE CIGARETTE EXCISE TAX RATES & RANKINGS

Overall All States' Average: \$1.03.7 per pack
Major Tobacco States' Average: 26.5 cents per pack
Other States' Average: \$1.14.1 per pack

State	Tax	Rank
Alabama	\$0.425	41st
Alaska ¹	\$2.00	4th
Arizona	\$2.00	4th
Arkansas	\$0.59	36th
California	\$0.87	27th
Colorado	\$0.84	28th
Connecticut	\$1.51	12th
Delaware	\$0.55	38th
DC	\$1.00	22nd
Florida	\$0.339	45th
Georgia	\$0.37	42nd
Hawaii ²	\$1.80	8th
Idaho	\$0.57	37th
Illinois	\$0.98	25th
Indiana ¹	\$0.995	24th
Iowa	\$1.36	17th
Kansas	\$0.79	31st
Kentucky	\$0.30	46th

State	Tax	Rank
Louisiana	\$0.36	43rd
Maine	\$2.00	4th
Maryland	\$1.00	22nd
Massachusetts	\$1.51	12th
Michigan	\$2.00	4th
Minnesota ³	\$1.493	15th
Mississippi	\$0.18	49th
Missouri	\$0.17	50th
Montana	\$1.70	10th
Nebraska	\$0.64	34th
Nevada	\$0.80	29th
New Hampshire	\$0.80	29th
New Jersey	\$2.58	1st
New Mexico	\$0.91	26th
New York	\$1.50	14th
North Carolina	\$0.35	44th
North Dakota	\$0.44	40th
Ohio	\$1.25	19th

State	Tax	Rank
Oklahoma	\$1.03	21st
Oregon	\$1.18	20th
Pennsylvania	\$1.35	18th
Rhode Island	\$2.46	2nd
South Carolina	\$0.07	51st
South Dakota	\$1.53	11th
Tennessee	\$0.20	48th
Texas	\$1.41	16th
Utah	\$0.695	33rd
Vermont	\$1.79	9th
Virginia	\$0.30	46th
Washington	\$2.025	3rd
West Virginia	\$0.55	38th
Wisconsin	\$0.77	32nd
Wyoming	\$0.60	35th
Puerto Rico	\$1.23	NA
Guam	\$1.00	NA
Northern Marianas	\$1.75	NA

¹ Effective 7/1/07.

² Effective 9/30/07.

³ Includes 75¢ health impact fee & 26.3¢ wholesale sales tax (all part of tax stamp).

Table shows all cigarette taxes already passed into law that will go into effect in the 2007 calendar year. Since 2002, 43 States, DC and several U.S. territories have increased their cigarette tax rates more than 69 times. States in **bold type** have not increased their cigarette tax since 2001 or much earlier. Tobacco states are KY, VA, NC, SC, GA, and TN. States' average includes DC, but not Puerto Rico or other U.S. territories. Local cigarette taxes not included. Including Puerto Rico (which has a larger U.S. population than more than 20 states and DC) raises the state average to \$1.041 per pack and the non-tobacco state average to \$1.143. The median tax rate is now 91¢ per pack. MI, MN, and UT also have special 35¢ per pack taxes or fees on brands of manufacturers not participating in the state tobacco lawsuit settlements (NPMs).

The highest combined state-local tax rate is now \$3.66 in Chicago, with Evanston, IL second at \$3.30 per pack. Other high state-local rates include Anchorage at \$3.10 and New York City at \$3.00 per pack. For more on local cigarette taxes, see: <http://tobaccofreekids.org/research/factsheets/pdf/0267.pdf>.

Federal cigarette tax is 39¢ 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 RJ Reynolds followed suit. In 2005, Philip Morris and Reynolds American announced price increases of about ten cents per pack. **The U.S. Centers for Disease Control & Prevention estimates that smoking-caused health costs total \$10.28 per pack sold and consumed in the United States.**

The average price for a pack of cigarettes nationwide is roughly \$4.28 (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; CO, MN & OK have a state sales tax but it 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, May 1, 2007 / Eric Lindblom

For additional information see the Campaign's website at <http://tobaccofreekids.org/reports/prices>. Sources: Orzechowski & Walker, *Tax Burden on Tobacco*, 2006; media reports.