



## STATE CIGARETTE EXCISE TAX RATES & RANKINGS

**Overall All States' Average: \$1.073 per pack**  
**Major Tobacco States' Average: 33.5 cents per pack**  
**Other States' Average: \$1.171 per pack**

| State             | Tax            | Rank |
|-------------------|----------------|------|
| Alabama           | \$0.425        | 42nd |
| Alaska            | \$2.00         | 4th  |
| Arizona           | \$2.00         | 4th  |
| Arkansas          | \$0.59         | 38th |
| <b>California</b> | <b>\$0.87</b>  | 29th |
| Colorado          | \$0.84         | 30th |
| Connecticut       | \$2.00         | 4th  |
| Delaware          | \$1.15         | 21st |
| DC                | \$1.00         | 24th |
| <b>Florida</b>    | <b>\$0.339</b> | 46th |
| Georgia           | \$0.37         | 43rd |
| Hawaii            | \$1.80         | 9th  |
| Idaho             | \$0.57         | 39th |
| Illinois          | \$0.98         | 27th |
| Indiana           | \$0.995        | 26th |
| Iowa              | \$1.36         | 17th |
| Kansas            | \$0.79         | 32nd |
| Kentucky          | \$0.30         | 47th |

| State               | Tax           | Rank |
|---------------------|---------------|------|
| Louisiana           | \$0.36        | 44th |
| Maine               | \$2.00        | 4th  |
| Maryland            | \$1.00        | 24th |
| Massachusetts       | \$1.51        | 13th |
| Michigan            | \$2.00        | 4th  |
| Minnesota           | \$1.49        | 15th |
| <b>Mississippi</b>  | <b>\$0.18</b> | 49th |
| <b>Missouri</b>     | <b>\$0.17</b> | 50th |
| Montana             | \$1.70        | 11th |
| Nebraska            | \$0.64        | 35th |
| Nevada              | \$0.80        | 31st |
| New Hampshire       | \$1.08        | 22nd |
| New Jersey          | \$2.58        | 1st  |
| New Mexico          | \$0.91        | 28th |
| New York            | \$1.50        | 14th |
| North Carolina      | \$0.35        | 45th |
| <b>North Dakota</b> | <b>\$0.44</b> | 41st |
| Ohio                | \$1.25        | 19th |

| State                 | Tax           | Rank |
|-----------------------|---------------|------|
| Oklahoma              | \$1.03        | 23rd |
| Oregon                | \$1.18        | 20th |
| Pennsylvania          | \$1.35        | 18th |
| Rhode Island          | \$2.46        | 2nd  |
| <b>South Carolina</b> | <b>\$0.07</b> | 51st |
| South Dakota          | \$1.53        | 12th |
| Tennessee             | \$0.62        | 36th |
| Texas                 | \$1.41        | 16th |
| Utah                  | \$0.695       | 34th |
| Vermont               | \$1.79        | 10th |
| Virginia              | \$0.30        | 47th |
| Washington            | \$2.025       | 3rd  |
| West Virginia         | \$0.55        | 40th |
| <b>Wisconsin</b>      | <b>\$0.77</b> | 33rd |
| Wyoming               | \$0.60        | 37th |
| Puerto Rico           | \$1.23        | NA   |
| Guam                  | \$1.00        | NA   |
| Northern Marianas     | \$1.75        | NA   |

\* Tax stamp includes 75¢ health impact fee & 26¢ cigarette sales tax (Commissioner of Revenue sets sales tax rate each year).

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 70 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 \$1.076 per pack and the non-tobacco state average to \$1.173. The median tax rate is now \$1.00 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 \$4.50 (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, October 1, 2007 / Eric Lindblom**

**Sources:** Orzechowski & Walker, *Tax Burden on Tobacco*, 2006; media reports.

For additional information see the Campaign's website at <http://tobaccofreekids.org/reports/prices>.