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**Anticipated State Cigarette Excise Taxes
January 1, 2003**

State	Excise Tax Per Pack	State	Excise Tax Per Pack
Alabama	\$0.165	Montana	\$0.180
Alaska	\$1.000	Nebraska	\$0.640
Arizona	\$1.180	Nevada	\$0.350
Arkansas	\$0.340	New Hampshire	\$0.520
California	\$0.870	New Jersey	\$1.500
Colorado	\$0.200	New Mexico	\$0.210
Connecticut	\$1.110	New York	\$1.500
Delaware	\$0.240	North Carolina	\$0.050
District of Columbia	\$0.650	North Dakota	\$0.440
Florida	\$0.339	Ohio	\$0.550
Georgia	\$0.120	Oklahoma	\$0.230
Hawaii	\$1.200	Oregon	\$1.280
Idaho	\$0.280	Pennsylvania	\$1.000
Illinois	\$0.980	Rhode Island	\$1.320
Indiana	\$0.555	South Carolina	\$0.070
Iowa	\$0.360	South Dakota	\$0.330
Kansas	\$0.790	Tennessee	\$0.200
Kentucky	\$0.030	Texas	\$0.410
Louisiana	\$0.360	Utah	\$0.695
Maine	\$1.000	Vermont	\$0.930
Maryland	\$1.000	Virginia	\$0.025
Massachusetts	\$1.510	Washington	\$1.425
Michigan	\$1.250	West Virginia	\$0.170
Minnesota	\$0.480	Wisconsin	\$0.770
Mississippi	\$0.180	Wyoming	\$0.120
Missouri	\$0.170		

Source: National Conference of State Legislatures, Health Policy Tracking Service, Prepared in November 2002 (<http://www.ncsl.org/programs/health/Cigarette.htm>, accessed January 22, 2003).

Stonefield, Carol

From: Zuend, Ted
Sent: Friday, February 28, 2003 4:22 PM
To: Stonefield, Carol
Cc: Atkinson, Bob
Subject: RE: Estimated revenues from cigarette tax increase

Carol,

Here is my estimate of the additional revenue that would be raised by increasing the state-imposed cigarette tax from 35 cents to \$1 per pack of 20 cigarettes. Most of the calculations are self-explanatory. The factor derived in Row E is based on the various literature that estimates a 4% short-term decline in consumption for every 10% increase in price. The price effect is derived based on a current average price of cigarettes of \$4 per pack (Source: Bob A.). Twenty percent of the net gain in state revenues in FY 2004 is \$20,576,000.

Ted

A	Estimated FY 2004 State Tax Revenue at 25 cents per pack [Economic Forum]	43,483,000
B	Estimated FY 2004 Local Tax Revenue at 10 cents per pack [A*(.10/.25)]	17,393,200
C	Estimated FY 2004 Tax Revenue at 35 cents per pack [A+B]	60,876,200
D	Gross Estimated Revenue at \$1 per pack [C*1.00/.35]	173,932,000
E	Estimated Consumption Reduction due to Price Effect [.65/4.00*.4]	6.5%
F	Net Estimated Revenue at \$1 per pack [C*(1-D)]	162,626,400
G	Estimated Local Amount of Cigarette Tax Revenue [F*.10/1.00]	16,262,600
H	Estimated State Amount of Cigarette Tax Revenue [F*.90/1.00]	146,363,800
I	Net Increase in Cigarette Tax Revenue for State [F-C]	102,880,800
J	Net Decrease in Cigarette Tax Revenue for Locals [G-B]	(1,130,600)

-----Original Message-----

From: Stonefield, Carol
Sent: Friday, February 28, 2003 1:22 PM
To: Atkinson, Bob; Zuend, Ted
Subject: Estimated revenues from cigarette tax increase



**HEALTHY
PEOPLE
2010**

NEVADA

February 2002

Bureau of Health Planning and Statistics

**Kenny Guinn, Governor
Michael Willden, Director
Department of Human Resources**

**Yvonne Sylva, Administrator
State Health Division**

27. TOBACCO USE

Objective 27.1 TOBACCO USE - ADULTS

Reduce cigarette smoking by adults aged 18 and older to 12% (12.5% for males and 11.5% for females) (smoked one or more cigarettes per day)

Tobacco is the single most preventable cause of death in America, accounting for over 400,000 deaths per year or almost one out of every five deaths. Smoking substantially increases the risk of heart disease, certain cancers, lung disease, and low birthweight. The prevalence of smoking declined steadily among adults following the U.S. Surgeon General's report in the mid-60s. However, the rate leveled off during the 1990s, mainly because of increased smoking among 18 to 24 year olds.

U.S. 2000 Baseline	Nevada 2000	2010 Objective
23%	29%	12%

Nevada had the highest smoking rate in the nation in 1999. The 2000 Nevada rate decreased from 31.5% to 29%, but remains one of the highest in the nation. Whereas the Nevada rate of current smokers is almost two and one-half times as high as the Year 2010 objective of 12%, it is extremely unlikely that Nevada will achieve that goal.

