



## STATE CIGARETTE TAX INCREASES PER YEAR (& RECESSIONS) SINCE 1980

The following shows the number of state cigarette tax increases (not including U.S. territories) that went into effect each year since 1980, with special reference to those years (marked in **bold**) when the national economy was contracting or in a recessionary period. State budget difficulties usually lag somewhat behind economic contractions and continue until sometime after the economy begins expanding again; and state cigarette tax increases go into effect at some point after the increases are passed into law.

| Year        | State Tax Increases         | Gross Tax Increase Amount (Per Pack) | Average Tax Increase (Per Pack) | Average Year-End State Tax (Per Pack) | Federal Tax (Per Pack)   | Avg. Major Cigarette Co. Factory Price (Per Pack) | Adult Smoking Rate |
|-------------|-----------------------------|--------------------------------------|---------------------------------|---------------------------------------|--------------------------|---|--------------------|
| <b>1980</b> | 2                           | \$0.07                               | \$0.04                          | \$0.13                                | \$0.08                   | \$0.29  | NA                 |
| <b>1981</b> | 6 (1 decrease)              | \$0.21                               | \$0.03                          | \$0.13                                | \$0.08                   | \$0.32  | NA                 |
| <b>1982</b> | 10                          | \$0.41                               | \$0.04                          | \$0.14                                | \$0.08                   | \$0.42  | NA                 |
| 1983        | 13                          | \$0.59                               | \$0.05                          | \$0.15                                | \$0.16                   | \$0.42  | 31.9%              |
| 1984        | 4                           | \$0.09                               | \$0.02                          | \$0.16                                | \$0.16                   | \$0.46  | NA                 |
| 1985        | 11                          | \$0.69                               | \$0.06                          | \$0.16                                | \$0.16                   | \$0.50  | 29.9%              |
| 1986        | 6                           | \$0.26                               | \$0.04                          | \$0.17                                | \$0.16                   | \$0.55  | NA                 |
| 1987        | 13                          | \$0.83                               | \$0.06                          | \$0.18                                | \$0.16                   | \$0.62  | NA                 |
| 1988        | 3                           | \$0.14                               | \$0.05                          | \$0.18                                | \$0.16                   | \$0.71  | NA                 |
| 1989        | 14 (1 decrease)             | \$1.16                               | \$0.08                          | \$0.22                                | \$0.16                   | \$0.81  | NA                 |
| <b>1990</b> | 8                           | \$0.60                               | \$0.07                          | \$0.23                                | \$0.16                   | \$0.91  | 25.3%              |
| <b>1991</b> | 13 (1 decrease)             | \$0.63                               | \$0.04                          | \$0.24                                | \$0.20                   | \$1.02  | NA                 |
| 1992        | 7                           | \$0.56                               | \$0.08                          | \$0.26                                | \$0.20                   | \$1.18  | NA                 |
| 1993        | 15 (2 decreases)            | \$1.51                               | \$0.09                          | \$0.29                                | \$0.24                   | \$0.88  | NA                 |
| 1994        | 8                           | \$1.25                               | \$0.16                          | \$0.30                                | \$0.24                   | \$0.88  | NA                 |
| 1995        | 5                           | \$0.70                               | \$0.14                          | \$0.33                                | \$0.24                   | \$0.91  | 24.6%              |
| 1996        | 2                           | \$0.26                               | \$0.13                          | \$0.33                                | \$0.24                   | \$0.95  | NA                 |
| 1997        | 9                           | \$2.34                               | \$0.26                          | \$0.38                                | \$0.24                   | \$1.07  | 24.7%              |
| 1998        | 2                           | \$0.60                               | \$0.30                          | \$0.39                                | \$0.24                   | \$1.70  | 24.1%              |
| 1999        | 3                           | \$0.95                               | \$0.32                          | \$0.41                                | \$0.24                   | \$1.88  | 23.5%              |
| 2000        | 2                           | \$0.59                               | \$0.30                          | \$0.42                                | \$0.34                   | \$2.11  | 23.1%              |
| <b>2001</b> | 4                           | \$1.36                               | \$0.34                          | \$0.43                                | \$0.34                   | \$2.30  | 22.8%              |
| 2002        | 21                          | \$8.44                               | \$0.42                          | \$0.61                                | \$0.39                   | \$2.37  | 22.5%              |
| 2003        | 17                          | \$5.97                               | \$0.35                          | \$0.73                                | \$0.39                   | \$2.37  | 21.6%              |
| 2004        | 7 (1 decrease) <sup>1</sup> | \$2.64                               | \$0.33                          | \$0.78                                | \$0.39                   | \$2.37  | 20.9%              |
| 2005        | 12                          | \$6.99                               | \$0.58                          | \$0.92                                | \$0.39                   | \$2.37  | 20.9%              |
| 2006        | 6                           | \$2.04                               | \$0.34                          | \$1.00                                | \$0.39                   | \$2.28  | 20.8%              |
| 2007        | 10                          | \$5.63                               | \$0.56                          | \$1.11                                | \$0.39                   | \$2.28  | 19.8%              |
| <b>2008</b> | 8                           | \$5.90                               | \$0.74                          | \$1.18                                | \$0.39                   | NA  | 20.6%              |
| <b>2009</b> | 15                          | \$7.84                               | \$0.52                          | \$1.34                                | \$1.00 <sup>66/100</sup> | NA  | 20.6%              |
| 2010        | 6                           | \$5.255                              | \$0.87                          | \$1.44                                | \$1.00 <sup>66/100</sup> | NA  | 19.3%              |
| 2011        | 3 (1 decrease)              | \$0.88                               | \$0.33                          | \$1.46                                | \$1.00 <sup>66/100</sup> | NA  | 19.0%              |
| 2012        | 2                           | \$1.04                               | \$0.52                          | \$1.48                                | \$1.00 <sup>66/100</sup> | NA  | 18.0%              |
| 2013        | 2 <sup>2</sup>              | \$2.60                               | \$1.30                          | \$1.53                                | \$1.00 <sup>66/100</sup> | NA  | 17.8%              |
| 2014        | 2                           | \$0.26                               | \$0.13                          | \$1.54                                | \$1.00 <sup>66/100</sup> | NA  | 16.8%              |
| 2015        | 9                           | \$3.50                               | \$0.39                          | \$1.60                                | \$1.00 <sup>66/100</sup> | NA  | 15.1%              |
| 2016        | 6                           | \$2.23                               | \$0.37                          | \$1.65                                | \$1.00 <sup>66/100</sup> | NA  | 15.5%              |
| 2017        | 5                           | \$3.49                               | \$0.70                          | \$1.72                                | \$1.00 <sup>66/100</sup> | NA  | 14.0%              |
| 2018        | 4                           | \$3.51                               | \$0.88                          | \$1.79                                | \$1.00 <sup>66/100</sup> | NA  | 13.7%              |
| 2019        | 2                           | \$1.34                               | \$0.67                          | \$1.81                                | \$1.00 <sup>66/100</sup> | NA  | 14.0%              |

*State Cigarette Tax Increases Per Year (& Recessions) Since 1980 / 2*

| <b>Year</b> | <b>State Tax Increases</b> | <b>Gross Tax Increase Amount (Per Pack)</b> | <b>Average Tax Increase (Per Pack)</b> | <b>Average Year-End State Tax (Per Pack)</b> | <b>Federal Tax (Per Pack)</b> | <b>Avg. Major Cigarette Co. Factory Price (Per Pack)</b> | <b>Adult Smoking Rate</b> |
|-------------|----------------------------|---|--|--|-------------------------------|--|---------------------------|
| <b>2020</b> | 1                          | \$0.60                                      | \$0.60                                 | \$1.82                                       | \$1.00 <sup>66/100</sup>      | NA   | 12.5%                     |
| 2021        | 3                          | \$4.85                                      | \$1.62                                 | \$1.91                                       | \$1.00 <sup>66/100</sup>      | NA   | 11.5%                     |
| 2022        | 0                          | 0   | 0                                      | \$1.91                                       | \$1.00 <sup>66/100</sup>      | NA   | 11.6%                     |
| 2023        | 1                          | \$1.00                                      | \$1.00                                 | \$1.93                                       | \$1.00 <sup>66/100</sup>      | NA   | 10.8%                     |
| 2024        | 2 <sup>3</sup>             | \$1.55                                      | \$0.78                                 | \$1.96                                       | \$1.00 <sup>66/100</sup>      | NA   | NA                        |

<sup>1</sup> Decrease was automatic termination of temporary 10-cent increase in OR, pursuant to law passed in prior year.

<sup>2</sup> Does not count NH's automatic restoration (10-cent increase) of tax rate after decrease in 2011, pursuant to law passed in 2011.

<sup>3</sup> Through July 1, 2024.

Not reflected above are tax increases in U.S. territories or local governments (e.g., NYC raised its cigarette tax to \$1.50 per pack in 2002; Cook County, IL, which includes Chicago, increased its tax to \$3.00 in 2013; Chicago raised its cigarette tax to \$1.18 in 2014 – with the total state-local tax rate in Chicago now \$7.16 per pack; Philadelphia implemented a cigarette tax of \$2.00 in 2014; Juneau, AK increased its cigarette tax by \$2.00 to \$3.00 per pack in 2015; Carbondale, CO passed a cigarette tax of \$4.00 per pack in 2020). The AR, MT, NV, ND, OR, and TX legislatures are not in session in even-numbered years. KY's legislature used to meet only every other year but began meeting annually in 2001.

National Bureau of Economic Research U.S. business cycle contractions data, <http://www.nber.org/cycles.html>.

***Campaign for Tobacco-Free Kids, September 3, 2024 / Ann Boonn***