

Vermont Legislative Joint Fiscal Office

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FISCAL NOTE

Date: March 30, 2016

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H.93 Increasing the Smoking Age Increasing the Smoking Age with House Ways and Means Committee Amendment

Fiscal Estimates

The Amendment makes up the estimated loss of cigarette and other tobacco products tax revenue by increasing the cigarette and OTP taxes over the same three-year period.

Increasing the Smoking Age and Increasing the Cigarette and OTP Taxes

Fiscal Year	Smoking Age	Year 1	Year 2	Year 3	Cumulative
2017	18 - 19	(375,000)	n/a	n/a	(375,000)
2018	19 - 20	(900,000)	(375,000)	n/a	(1,275,000)
2019	20 - 21	(900,000)	(900,000)	(375,000)	(2,175,000)
2020	21	(900,000)	(900,000)	(900,000)	(2,700,000)

Fiscal Year	Tax Increase	Year 1	Year 2	Year 3	Cumulative
2017	13 cents	375,000	n/a	n/a	375,000
2018	13 cents	900,000	375,000	n/a	1,275,000
2019	13 cents	900,000	900,000	375,000	2,175,000
2020		900,000	900,000	900,000	2,700,000

These estimates are rounded.

Cigarette and OTP Tax Rates

Date	Cigarette Tax	OTP per ounce
Current Law	3.08	2.57
1/1/2017	3.21	2.68
1/1/2018	3.34	2.78
1/1/2019	3.47	2.89