

# CIGARETTE AND E-LIQUID EXCISE TAXES

**North Carolina's cigarette excise tax ranks 48th in the country and our e-liquid excise tax is even lower.**

## AN EVIDENCE-BASED STRATEGY

North Carolina is ranked 48th in the U.S. for its cigarette tax of 45 cents per pack, compared to the national average of \$1.81. This hasn't been raised in more than a decade.

Our e-liquid excise tax is only \$0.05 per milliliter. That means one Juul pod, which has as much nicotine as an entire pack of cigarettes, is taxed at only \$0.04.

Increases in the tobacco excise tax result in decreases in tobacco use, particularly among young people. We need to increase the cigarette excise tax and the e-liquid excise tax to protect the lives and health of North Carolinians.

## A RELIABLE SOURCE OF REVENUE

Tobacco excise taxes are a reliable source of income for North Carolina, while reducing healthcare costs and protecting health. NC currently receives \$450 million in tobacco taxes and Master Settlement Agreement Payments. A modest increase in the tobacco tax and raising the e-liquid tax in parallel can provide vital additional revenue to the state while saving lives.

- Raising the cigarette excise tax by only \$1 per pack would raise \$373.11 million in new revenue.
- Raising the e-liquid excise tax to parallel that \$1 increase would raise an additional \$48.6 million, for a total of \$421.71 in new state revenue.
- A tobacco tax increase of \$1 is projected to reduce youth tobacco use by 10.5%, saving 23,600 young people from becoming adult tobacco users.
- 41,700 adult tobacco users would quit.
- We would save \$1.36 billion in healthcare costs.

## WHERE WE STAND

**\$0.45**

**per pack of cigarettes**

**48th**

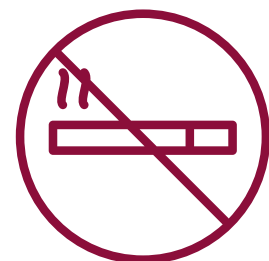
**lowest tax**

**\$400M**

**in existing revenue from current tobacco taxes**

**\$373M**

**in new revenue from a cigarette tax increase of \$1**



**NORTH CAROLINA ALLIANCE FOR HEALTH**

For more information visit [www.ncallianceforhealth.org](http://www.ncallianceforhealth.org)