

TABLE 8. TOBACCO PRODUCTS TAX COLLECTIONS
[G.S. 105 ARTICLE 2A.]

Fiscal year	Tobacco products tax: cigarette, other tobacco products								Year-over-year % change			Amount to General Fund
	Gross collections [\$]	Refunds [\$]	Net collections* [before transfers]		Transfers			Collections to General Fund [\$]	Net collections			
			Cigarette [\$]	Other tobacco products [\$]	Collection fees on overdue tax debts [\$]	OSBM Civil Penalty & Forfeiture Fund [\$]	Collection cost of fines/forfeitures [\$]		Cigarette	Other tobacco products		
1992-93.	42,917,896	36,995	40,931,883	1,949,018	-	-	-	42,880,901	3.5%	144.8%	6.2%	<p>*Effective <u>September 1, 2005</u>, the cigarette tax rate increased from 2.5 mills per cigarette (5 cents per pack of 20 cigarettes) to 1.5 cents per cigarette (30 cents per pack of 20 cigarettes). Effective <u>July 1, 2006</u>, the cigarette tax rate increased from 1.5 cents per cigarette to 1.75 cents per cigarette (35 cents per pack of 20 cigarettes). Effective <u>September 1, 2005</u>, the tax rate for tobacco products (other than cigarettes) increased from 2% to 3% of the cost price of the product. Effective <u>January 1, 1994</u>, cigarette excise tax law changed from a stamp method of payment based on packs purchased to a reporting method based on sales. Concurrent with the change in the payment method was a reduction in the amount of discount allowed to taxpayers.</p> <p><u>Cigarette tax/other tobacco products tax discount:</u> Effective for reporting periods beginning on or after <u>August 1, 2004</u>, G.S. 105-113.21 and G.S. 105-113.39 were reenacted to reinstate a discount to wholesalers or importers who both timely file the monthly tobacco tax report and timely pay the tax due. The discount is 2%. [The discount under prior law was 4% and had been repealed effective for reporting periods beginning on or after <u>August 1, 2003</u>.]</p>
1993-94.	38,202,307	277,251	35,837,482	2,087,574	-	-	-	37,925,056	-12.4%	7.1%	-11.6%	
1994-95.	44,793,990	158,239	42,409,849	2,225,901	-	-	-	44,635,750	18.3%	6.6%	17.7%	
1995-96.	46,866,806	169,070	44,231,102	2,466,634	-	-	-	46,697,736	4.3%	10.8%	4.6%	
1996-97.	46,691,280	13,931	44,011,104	2,666,245	-	-	-	46,677,349	-0.5%	8.1%	0.0%	
1997-98.	47,204,135	26,917	44,278,780	2,898,438	-	-	-	47,177,218	0.6%	8.7%	1.1%	
1998-99.	44,919,034	66,492	41,816,556	3,035,986	-	-	-	44,852,542	-5.6%	4.7%	-4.9%	
1999-00.	43,957,805	294,600	40,459,942	3,203,263	-	-	-	43,663,205	-3.2%	5.5%	-2.7%	
2000-01.	42,280,129	254,252	38,506,012	3,519,866	-	-	-	42,025,877	-4.8%	9.9%	-3.7%	
2001-02.	42,227,886	696,539	38,329,738	3,201,609	-	-	-	41,531,347	-0.5%	-9.0%	-1.2%	
2002-03.	42,332,928	333,038	38,430,687	3,569,204	1,178	-	-	41,998,713	0.3%	11.5%	1.1%	
2003-04.	44,118,406	383,633	39,810,915	3,923,858	2,004	-	-	43,732,769	3.6%	9.9%	4.1%	
2004-05.	43,384,992	403,183	38,953,476	4,028,334	765	-	-	42,981,044	-2.2%	2.7%	-1.7%	
2005-06.	172,245,232	561,988	165,327,743	6,355,501	11,679	34,805	-	171,636,758	324.4%	57.8%	299.3%	
2006-07.	241,864,191	550,041	234,437,889	6,876,260	453	138,798	578	241,174,320	41.8%	8.2%	40.5%	

Detail may not add to totals due to rounding.

Figure 8.1 Tobacco Products Tax Net Collections by Type

