

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

Fiscal year	Tobacco products tax [cigarette, other tobacco products]				Tobacco products tax net collections*			Year-over-year % change		
	Gross collections [\$]	Refunds [\$]	Collection fees on overdue tax debts [\$]	OSBM Civil Penalty & Forfeiture Fund [\$]	Cigarette tax [\$]	Other tobacco products tax [\$]	Total tobacco products tax to General Fund [\$]	Net collections		Amount to General Fund
								Cigarette tax	Other tobacco products tax	
1991-92..	40,395,661	32,755	-	-	39,566,666	796,241	40,362,907	160.5%	-	165.7%
1992-93..	42,917,896	36,995	-	-	40,931,883	1,949,018	42,880,901	3.5%	144.8%	6.2%
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	1,178	-	38,429,509	3,569,204	41,998,713	0.3%	11.5%	1.1%
2003-04..	44,118,406	383,633	2,004	-	39,808,744	3,924,025	43,732,769	3.6%	9.9%	4.1%
2004-05..	43,384,992	403,183	765	-	38,952,711	4,028,334	42,981,044	-2.2%	2.7%	-1.7%
2005-06..	172,245,232	561,988	11,679	34,805	165,328,466	6,343,098	171,636,758	324.4%	57.5%	299.3%

*Effective August 1, 1991, the cigarette excise tax rate increased from 1 mill per cigarette (2 cents per pack of 20 cigarettes) to 2.5 mills per cigarette (5 cents per pack of 20 cigarettes). Effective September 1, 2005, 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 July 1, 2006, 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 January 1, 1992, tobacco products (other than cigarettes) became subject to a tax of 2% of the cost price of the product. Effective September 1, 2005, the 2% rate increased to 3%. Effective January 1, 1994, 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.

Cigarette tax/other tobacco products tax discount:
Effective for reporting periods beginning on or after August 1, 2004, 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 August 1, 2003.]

Detail may not add to totals due to rounding.

Figure 8.1 Tobacco Products Tax Net Collections by Type

