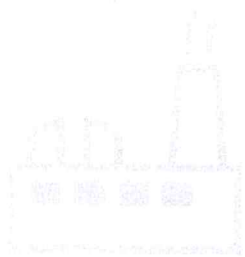


TOBACCO OVERVIEW

LICENSING



Manufacturer



Distributor

Purchases unstamped
cigarettes directly
from manufacturer

\$150.00 annual license



Wholesaler

Only purchases
cigarettes from a
distributor

\$150.00 annual license

TOBACCO TAXES

Cigarette Tax

Paid by distributors by purchasing tax stamps.

Stamps are required to be placed on each pack of cigarettes prior to sale.

\$1.53 per pack of 20 cigarettes
\$1.92 per pack of 25 cigarettes

Other Tobacco Products Tax (OTP)

Paid by wholesalers and distributors.

Applies to cigars, snuff, chewing tobacco, and any other tobacco products, except cigarettes.

35% of the wholesale purchase price

TAX DISTRIBUTION & STATS

Distribution

First \$30 million to State
General Fund



\$5 million to Tobacco
Prevention & Reduction
Trust Fund



All additional revenue to
State General Fund

Average Annual Revenue (FY14 - FY16)

