



State Pipe Tobacco Taxation Laws, Selected Years 2005-2014

Introduction

Pipe tobacco is loose tobacco that is designed to be smoked in a pipe. It is often taxed at lower rates than roll-your-own tobacco (RYOT), creating an incentive to purchase pipe tobacco instead of RYOT.

This fact sheet documents the variability in pipe tobacco taxation across the 50 states and the District of Columbia, as of January 1 for selected years between 2005 and 2014. Data on state pipe tobacco tax rates were compiled through primary legal research into each state's statutory and administrative codes, using the commercial legal research services, LexisNexis and Westlaw. The data were verified through secondary sources, and in some cases through telephone or email consultation with given state Department of Revenue officials.

A companion [chartbook](#) and complete data files listing the pipe tobacco tax rates from January 1, 2005 through January 1, 2014 in all 50 states and Washington, D.C. is available through the [Tobacconomics](#) website.

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Key Findings

As of January 1, 2014, pipe tobacco was taxed in 49 states; 46 states taxed pipe tobacco on an ad valorem basis and 3 states taxed pipe tobacco on a specific, per ounce basis.

Ad Valorem Excise Taxes on Pipe Tobacco

- As of January 1, 2014, the ad valorem rate on pipe tobacco ranged from 5% of manufacturer's price (in South Carolina) to 95% of wholesale sales price (in Minnesota) and 95% of taxable sales price (in Washington).
- The mean ad valorem pipe tobacco tax rate increased from 29.57% (in 44 states) in 2005 to 41.27% (in 46 states) in 2014.

Specific Excise Taxes on Pipe Tobacco

- As of January 1, 2014, the specific taxes on pipe tobacco were \$0.036 per ounce in Alabama, \$0.223 per ounce in Arizona, and \$1.22 per ounce in Texas.
- The mean specific pipe tobacco tax rate increased from \$0.12 per ounce (in 2 states) to \$0.49 in 2014 (in 3 states).

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✓ Yes Blank No

W/ OTP (With other tobacco products); Std. Al. (Stand-alone definition/taxation); CP (Cost Price); DP (Distributor's Price); FLP (Factory List Price); MIP (Manufacturer's Invoice Price); MLP (Manufacturer's List Price); MP (Manufacturer's Price); MSP (Manufacturer's Sales Price); oz (ounce); PV (Product Value); PP (Purchase Price); TSP (Taxable Sales Price); WC (Wholesale Cost); WCP (Wholesale Cost Price); WPP (Wholesale Purchase Price); WSP (Wholesale Sales Price); WP (Wholesale Price)

	Taxed (Y/N) (2014)	How Defined (2014)	How Taxed (2014)	2005		2008		2011		2014	
				Ad Valorem	Specific						
AL	✓	Std. Al.	Std. Al.		\$0.036/oz		\$0.036/oz		\$0.036/oz		\$0.036/oz
AK	✓	W/ OTP	W/ OTP	75% WP		75% WP		75% WP		75% WP	
AZ	✓	W/ OTP	W/ OTP		\$0.198/oz		\$0.223/oz		\$0.223/oz		\$0.223/oz
AR	✓	W/ OTP	W/ OTP	32% MSP		32% MSP		68% MSP		68% MSP	
CA	✓	W/ OTP	W/ OTP	46.76% WC		45.13% WC		33.02% WC		29.82% WC	
CO	✓	W/ OTP	W/ OTP	40% MLP		40% MLP		40% MLP		40% MLP	
CT	✓	W/ OTP	W/ OTP	20% WSP		20% WSP		27.5% WSP		50% WSP	
DE	✓	W/ OTP	W/ OTP	15% WP		15% WP		15% WP		15% WP	
DC											
FL	✓	W/ OTP	W/ OTP	25% WSP		25% WSP		85% WSP		85% WSP	
GA	✓	Smokeless	Smokeless	10% WCP		10% WCP		10% WCP		10% WCP	
HI	✓	W/ OTP	W/ OTP	40% WP		40% WP		70% WP		70% WP	
ID	✓	W/ OTP	W/ OTP	40% WSP		40% WSP		40% WSP		40% WSP	
IL	✓	W/ OTP	W/ OTP	18% WP		18% WP		18% WP		36% WP	
IN	✓	W/ OTP	W/ OTP	18% WP		24% WP		24% WP		24% WP	
IA	✓	W/ OTP	W/ OTP	22% WSP		50% WSP		50% WSP		50% WSP	
KS	✓	W/ OTP	W/ OTP	10% WSP		10% WSP		10% WSP		10% WSP	
KY	✓	W/ OTP	W/ OTP			7.5% WSP		15% WSP		15% DP	
LA	✓	W/ OTP	Std. Al.	33% MIP		33% MIP		33% MIP		33% MIP	
ME	✓	W/ OTP	W/ OTP	16% WSP		20% WSP		20% WSP		20% WSP	
MD	✓	W/ OTP	W/ OTP	15% WP		15% WP		15% WP		30% WP	
MA	✓	W/ OTP	W/ OTP	30% WP		30% WP		30% WP		40% WP	
MI	✓	W/ OTP	W/ OTP	32% WP		32% WP		32% WP		32% WP	
MN	✓	W/ OTP	W/ OTP	35% WSP		70% WSP		70% WSP		95% WSP	
MS	✓	W/ OTP	W/ OTP	15% MLP		15% MLP		15% MLP		15% MLP	
MO	✓	W/ OTP	W/ OTP	10% MIP		10% MIP		10% MIP		10% MIP	
MT	✓	W/ OTP	W/ OTP	25% WP		50% WP		50% WP		50% WP	

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	Taxed (Y/N) (2014)	How Defined (2014)	How Taxed (2014)	2005		2008		2011		2014	
				Ad Valorem	Specific	Ad Valorem	Specific	Ad Valorem	Specific	Ad Valorem	Specific
NE	✓	W/ OTP	W/ OTP	20% PP		20% PP		20% PP		20% PP	
NV	✓	W/ OTP	W/ OTP	30% WP		30% WP		30% WP		30% WP	
NH	✓	W/ OTP	W/ OTP			19% WSP		65.03% WSP		65.03% WSP	
NJ	✓	W/ OTP	W/ OTP	30% WP		30% WP		30% WP		30% WP	
NM	✓	W/ OTP	W/ OTP	25% PV		25% PV		25% PV		25% PV	
NY	✓	W/ OTP	W/ OTP	37% WP		37% WP		75% WP		75% WP	
NC	✓	W/ OTP	W/ OTP	2% CP		10% CP		12.8% CP		12.8% CP	
ND	✓	Std. Al.	Std. Al.	28% WPP		28% WPP		28% WPP		28% WPP	
OH	✓	W/ OTP	W/ OTP	17% WP		17% WP		17% WP		17% WP	
OK	✓	W/ OTP	Std. Al.	80% FLP		80% FLP		80% FLP		80% FLP	
OR	✓	W/ OTP	W/ OTP	65% WSP		65% WSP		65% WSP		65% WSP	
PA											
RI	✓	Std. Al.	W/ OTP	30% WC		40% WC		80% WC		80% WC	
SC	✓	W/ OTP	W/ OTP	5% MP		5% MP		5% MP		5% MP	
SD	✓	W/ OTP	W/ OTP	10% WPP		35% WPP		35% WPP		35% WPP	
TN	✓	W/ OTP	W/ OTP	6.6% WCP		6.6% WCP		6.6% WCP		6.6% WCP	
TX	✓	W/ OTP	W/ OTP	35.21% MLP		40% MLP			\$1.13/oz		\$1.22/oz
UT	✓	W/ OTP	W/ OTP	35% MSP		35% MSP		86% MSP		86% MSP	
VT	✓	W/ OTP	W/ OTP	41% WP		41% WP		92% WP		92% WP	
VA	✓	W/ OTP	W/ OTP			10% MSP		10% MSP		10% MSP	
WA	✓	W/ OTP	W/ OTP	129.42% TSP		75% TSP		95% TSP		95% TSP	
WV	✓	W/ OTP	W/ OTP	7% WP		7% WP		7% WP		7% WP	
WI	✓	W/ OTP	W/ OTP	25% MLP		50% MLP		71% MLP		71% MLP	
WY	✓	Std. Al.	W/ OTP	20% WPP		20% WPP		20% WPP		20% WPP	