



## State Smokeless Tobacco Product Taxation Laws, Selected Years 2005-2014

### Introduction

Smokeless tobacco is a non-combustible, smokeless product that contains tobacco and is ingested through the mouth. Unlike combustible tobacco products that are inhaled, smokeless tobacco products are generally chewed or held in the mouth or nose for periods of time. Smokeless tobacco is sold in tins, small containers or pouches.

This fact sheet documents the variability in smokeless 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 smokeless 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 smokeless tobacco product 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, smokeless tobacco was taxed in 49 states and Washington, D.C. (hereafter referred to as “states”).

#### *Ad Valorem Excise Taxes on Smokeless Tobacco*

- As of January 1, 2014, state ad valorem tax rates on smokeless tobacco ranged from 5% of manufacturer's price (in South Carolina) to 210% of the purchase price of the licensee (in Massachusetts).
- The mean ad valorem smokeless tobacco tax rate increased from 31.07% in 2005 (in 44 states) to 45.87% in 2014 (in 43 states).

#### *Specific Excise Taxes on Smokeless Tobacco*

- As of January 1, 2014, specific taxes on smokeless tobacco ranged from \$0.02 per ounce (in Alabama) to \$2.02 per ounce (in Maine).
- The mean specific smokeless tobacco tax rate increased from \$0.10 per ounce in 2005 (in 3 states) to \$0.63 per ounce in 2014 (in 7 states).

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✓ Yes    Blank No

W/ OTP (With other tobacco products); Std. Al. (Stand-alone definition/taxation); CP (Cost 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); PPL (Price Paid by Licensee/Unclassified Acquirer); 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	Ad Valorem	Specific	Ad Valorem	Specific	Ad Valorem	Specific
AL	✓	Std. Al.	Std. Al.		\$0.015/oz		\$0.015/oz		\$0.015/oz		\$0.015/oz
AK	✓	W/ OTP	W/ OTP	75% WP		75% WP		75% WP		75% WP	
AZ	✓	W/ OTP	W/ OTP		\$0.133/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	48.89% 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	✓	W/ OTP	W/ OTP						\$0.75/oz		\$0.75/oz
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	Std. Al.			7.5% WSP		15% WSP			\$0.048/oz
LA	✓	Smokeless	Smokeless	20% MIP		20% MIP		20% MIP		20% MIP	
ME	✓	W/ OTP	Smokeless	62% WSP		78% WSP			\$2.02/oz		\$2.02/oz
MD	✓	W/ OTP	W/ OTP	15% WP		15% WP		15% WP		30% WP	
MA	✓	W/ OTP	Smokeless	90% PPL		90% PPL		90% PPL		210% PPL	
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		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	✓	W/ OTP	Std. Al.		\$0.16/oz		\$0.16/oz		\$0.16/oz		\$0.16/oz
OH	✓	W/ OTP	W/ OTP	17% WP		17% WP		17% WP		17% WP	
OK	✓	W/ OTP	Smokeless	60% FLP		60% FLP		60% FLP		60% 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	