

Minnesota

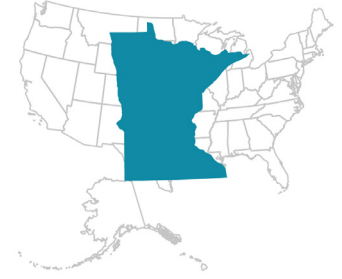


Table 1: Other Tobacco Product Taxation

OTP Taxed? No Yes

If yes, which products are taxed as of January 1, 2014?

✓ Yes Blank No -- Not Applicable/Addressed

Product	Taxed?	Type of Tax		How Defined?	How Taxed?	Rate Change Since 2005?
		Ad Valorem	Specific			
Cigars	✓	✓		With OTPs	With OTPs	↑
Cigarillos	✓	✓		With OTPs	With OTPs	↑
Little Cigars	✓		✓	With OTPs	Cigarette	Tax Type Changed
Pipe Tobacco	✓	✓		With OTPs	With OTPs	↑
Roll-Your-Own Tobacco	✓	✓		With OTPs	With OTPs	↑
Dry Snuff	✓	✓		With OTPs	With OTPs	↑
Moist Snuff	✓		✓	With OTPs	Cigarette	Tax Type Changed
Snus	✓	✓		With OTPs	With OTPs	↑
Smokeless Tobacco Generally	✓	✓		With OTPs	With OTPs	↑
Dissolvables	✓	✓		With OTPs	With OTPs	↑
E-cigarettes	✓	✓		With OTPs	With OTPs	↑

↓ Rate Decreased ↑ Rate Increased ↔ No Change

Table 2: Summary of Cigarette and OTP Tax Rates, Selected Years, 2005-2014

Product	2005	2008	2011	2014
Cigarettes	\$0.48/20 §	\$1.493/20 §	\$1.576/20 §	\$2.830/20 §
Cigars	35% WSP Δ	70% WSP Δ	70% WSP Δ	95% WSP Δ
Cigarillos	35% WSP Δ	70% WSP Δ	70% WSP Δ	95% WSP Δ
Little Cigars	35% WSP Δ	70% WSP Δ	70% WSP Δ	\$2.830/20 §
Pipe Tobacco	35% WSP Δ	70% WSP Δ	70% WSP Δ	95% WSP Δ
Roll-Your-Own Tobacco	35% WSP Δ	70% WSP Δ	70% WSP Δ	95% WSP Δ
Dry Snuff	35% WSP Δ	70% WSP Δ	70% WSP Δ	95% WSP Δ
Moist Snuff	35% WSP Δ	70% WSP Δ	70% WSP Δ	«\$2.830 ea §
Snus	35% WSP Δ	70% WSP Δ	70% WSP Δ	95% WSP Δ
Smokeless Tobacco Generally	35% WSP Δ	70% WSP Δ	70% WSP Δ	95% WSP Δ
Dissolvables	--	--	70% WSP Δ	95% WSP Δ
E-cigarettes	--	--	--	95% WSP Δ

Δ Ad Valorem; § Specific; -- Not taxed; WSP=Wholesale Sales Price; ea=each. «"...a tax is imposed upon all tobacco products...at the rate of 95 percent of the wholesale sales price...a minimum tax equal to the rate imposed on a pack of 20 cigarettes weighing not more than three pounds per thousand, as established under subdivision 1, is imposed on each container of moist snuff." (Minn. Stat. Ann. § 297F.05 (2014)).

WSP

Wholesale Sales Price

"... the price at which a distributor purchases a tobacco product. Wholesale sales price includes the applicable federal excise tax, freight charges, or packaging costs, regardless of whether they were included in the purchase price." (MINN. STAT. § 297F.01)