

North Carolina

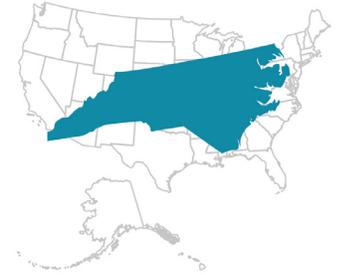


Table 1: Other Tobacco Product Taxation

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	With OTPs	↑
Pipe Tobacco	✓	✓		With OTPs	With OTPs	↑
Roll-Your-Own Tobacco	✓	✓		With OTPs	With OTPs	↑
Dry Snuff	✓	✓		With OTPs	With OTPs	↑
Moist Snuff	✓	✓		With OTPs	With OTPs	↑
Snus	✓	✓		With OTPs	With OTPs	↑
Smokeless Tobacco Generally	✓	✓		With OTPs	With OTPs	↑
Dissolvables	✓	✓		With OTPs	With OTPs	↑
E-cigarettes	No	--	--	--	--	Not applicable

↓ 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	\$0.05/20 §	\$0.35/20 §	\$0.45/20 §	\$0.45/20 §
Cigars	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Cigarillos	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Little Cigars	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Pipe Tobacco	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Roll-Your-Own Tobacco	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Dry Snuff	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Moist Snuff	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Snus	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Smokeless Tobacco Generally	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
Dissolvables	2% CP Δ	10% CP Δ	12.8% CP Δ	12.8% CP Δ
E-cigarettes	--	--	--	--

Δ Ad Valorem; § Specific; -- Not taxed; CP=Cost Price.

CP	Cost Price
	"The price a person liable for the tax on tobacco products imposed by Part 3 of this Article paid for the products, before any discount, rebate, or allowance or the tax imposed by that Part." (N.C. GEN. STAT. § 105-113.4)