

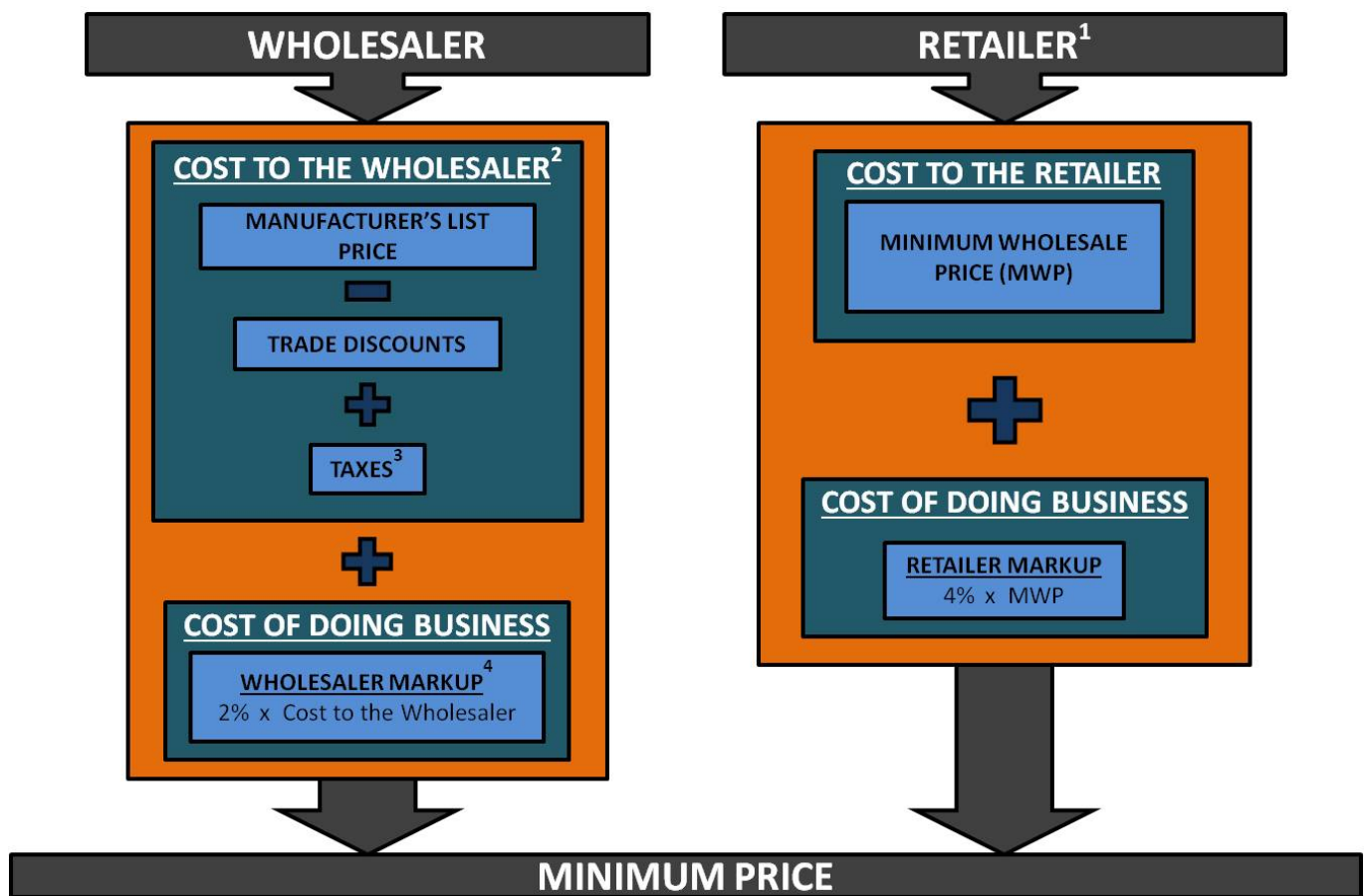
# Alaska



Minimum Markup  Minimum Pricing

Yes  Blank No  -- Not Applicable/Addressed

## Cigarette Pricing – 2015



*Note: This state does not set a minimum price for OTP.*

## Formulating Price

### State Pricing Regulation Strength: Factors that Decrease versus Increase Statutory Price\*

Pricing Formula Elements That  
**DECREASE PRICE**



Number of factors  
decreasing price:  
Below Average

Pricing Formula Elements That  
**INCREASE PRICE**



Number of factors  
increasing price:  
Below Average

<b>Total Decrease Factors (State):</b>	<b>1</b>
<b>Average Decrease Factors (National):</b>	<b>3.2</b>
Below-Cost Combination Sales Explicitly Permitted	
Below-Cost Coupons Permitted	
Consumers Can Receive Below-Cost Coupons	
Trade Discounts Explicitly Permitted	✓
Trade Discounts Include Discount Programs	
Competitor Price-Matching Permitted	

<b>Total Increase Factors (State):</b>	<b>3</b>
<b>Average Increase Factors (National):</b>	<b>3.3</b>
≥ 2 Parties Regulated	✓
Markup Applied	✓
Taxes	✓
Cartage	
Other Costs	

*\*Note: See "How to Read" for an explanation of terms and factors, and "Methods" for detailed methodology.*

### Markup Rates Across Standard Distribution Chain

	Stamping Agent	Wholesaler/Distributor	Retailer/Dealer	Total Standard Markup	State vs Nat'l Total Markups
<b>Alaska</b>		2%	4%	<b>6%</b>	--
<b>Nat'l Average Markup of States Where Distribution Level Regulated</b>	1.15% (N=3)	3.668% (N=26)	8.021% (N=24)	<b>12.839%</b>	↓ Below Average
<b>Nat'l Average Markup of All Markup States (N=27)</b>	0.128%	3.532%	7.13%	<b>10.79%</b>	↓ Below Average

## Combination Sales

### Types of Combination Sales Permitted

Buy-One-Get-One or Multi-Pack	
Tobacco Product + Coupon	
Tobacco Product + Non-Tobacco Product	

## Coupons

### Who May Distribute Coupons to Consumers?

Manufacturer	--	Retailer/Dealer	--
Wholesaler/Distributor	--	Distributing Party Not Addressed	--

---

## Footnotes

### Alaska- Cigarette

1. Where a wholesaler acts as a retailer, the wholesaler must apply both the wholesaler and retailer markup. Alaska Stat. §§ 43.50.810(b).
2. While many states use the actual phrase “cost to the wholesaler,” Alaska does not; however, we have used it here for clarity.
3. The statute uses the phrase “full face value of all cigarette taxes,” which we have interpreted to mean any applicable excise taxes. Alaska Stat. §§ 43.50.810(a).
4. Alaska does not define its wholesale or retail markup as a percentage. Instead, the markup is applied as a numerical value (1.02 and 1.04, respectively). Alaska Stat. §43.50.810. We have converted it to a percentage here for consistency.