

State of New Hampshire **FIS 13 169**
 Department of Revenue Administration



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John T. Beardmore
 Commissioner

July 8, 2013

The Honorable Mary Jane Wallner, Chairman
 Fiscal Committee of the General Court
 State House
 Concord, New Hampshire 03301


Dear Representative Wallner:

As you may be aware, House Bill 2 (Chp. 224:381, Laws of 2011) requires the Department of Revenue Administration to report, on or before July 15, 2013, to the Speaker of the House, the Senate President, the Fiscal Committee of the General Court, the Secretary of State, and the Director of the Office of Legislative Services, the amount of tobacco tax revenue received, as reported in the Department's "Daily Cash Basis Revenue Report," for the period of July 1, 2011 through June 30, 2013. The law further provided that, if the Department reports that the amount of tobacco tax revenue received for the period was below the amounts received for the period of July 1, 2009 through June 30, 2011, then the tax rate for each pack containing 20 cigarettes shall increase to \$1.78 per pack; the tax rate for each pack containing 25 cigarettes shall increase to \$2.23 per pack; and the tax rate for all other tobacco products, except premium cigars, shall increase to 65.03 percent of the wholesale sales price – *all effective on August 1, 2013*. If, however, the Department reports that the amount of tobacco tax revenue received for the period was equal to or above the amount received for the period of July 1, 2009 through June 30, 2011, then the tobacco tax rates shall remain at the current rates.

The attached spreadsheet shows the amount of revenue received as reported on the Department of Revenue Administration's "Daily Cash Basis Revenue Report" for the tobacco tax under RSA Chapter 78 for State fiscal years 2010, 2011, 2012, and 2013. The amount of tobacco tax revenue for the period of July 1, 2011 through June 30, 2013, inclusive of state fiscal years 2012 and 2013, was \$416,234,592.42. The amount of tobacco tax revenue for the period of July 1, 2009 through June 30, 2011, inclusive of state fiscal years 2010 and 2011, was \$472,019,654.67. Thus, the amount of tobacco tax revenue received for fiscal years 2012 and 2013 was below the amount received for fiscal years 2010 and 2011.

Should you have any questions concerning the revenue comparison, please do not hesitate to contact me.

Sincerely,


 John T. Beardmore
 Commissioner

CC: Gerard Murphy, Governor's Budget Director
 Linda Hodgdon, Commissioner, Department of Administrative Services
 Jeff Pattison, Legislative Budget Assistant

TDD Access: Relay NH 1-800-735-2964

Individuals who need auxiliary aids for effective communication in programs and services of the Department of Revenue Administration are invited to make their needs and preferences known to the Department.

TOBACCO TAX REVENUE

07/03/2013

As reported in the Department of Revenue Administration's Daily Cash Basis Revenue Report.

	A	B	C	D	E
	FY 2010	Revenue	FY 2012	Revenue	Revenue
1					
2					
3	Other Tobacco Products (ST)	\$7,835,026.96	Other Tobacco Products (ST)	\$7,201,433.08	
4	Tobacco (TO)	\$232,082,141.61	Tobacco (TO)	\$204,800,290.80	
5					
6	Total	\$239,917,168.57	Total	\$212,001,723.88	
7					
8					
9					
10	FY 2011	Revenue	FY 2013	Revenue	
11	Other Tobacco Products (ST)	\$9,506,949.48	Other Tobacco Products (ST)	\$7,895,975.47	
12	Tobacco (TO)	\$222,595,536.62	Tobacco (TO)	\$196,336,893.07	
13					
14	Total	\$232,102,486.10	Total	\$204,232,868.54	
15					
16					
17	FY 2010 & FY 2011		FY 2012 & FY 2013		
18	2-Year Total	\$472,019,654.67	2-Year Total	\$416,234,592.42	