

**FISCAL NOTE**

	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b>NON-ADMINISTRATIVE IMPACT</b>			
Anticipated Revenue increase			
GENERAL FUND	\$8,300,000	\$8,300,000	\$8,300,000
LOCAL SOURCES FUND	\$1,500,000	\$1,500,000	\$1,500,000

Source of revenue increase:

This bill increases the cigarette tax from \$0.60 per pack to \$1.10 per pack. The tax increase would be distributed to the General Fund and to local governments.

The revenue increase, in the form of additional taxes to the General Fund from adding electronic cigarettes, vapor material and additional accessories in the definition of other tobacco products, is indeterminable.

Assumptions:

The estimates presented in the table above reflect the additional estimated revenue from the tax increase on cigarettes from \$0.60 per pack to \$1.10 per pack only, and do not include any estimate of additional revenue from adding electronic cigarettes, vapor material and additional accessories in the definition of other tobacco products.

The estimated revenue increases are based on the cigarette taxes forecasted in the January 2019 CREG Forecast. The total revenue increase from the cigarette tax rate increase is estimated at \$9.8 million per year. This revenue increase would be distributed to the General Fund and to local governments.

Due to the magnitude of the cigarette tax increase, a 12% reduction in cigarette sales is projected from reduced consumption. There is also a potential revenue decrease from the likely reduction in Wyoming cigarettes sold for consumption outside of Wyoming. However, this potential revenue decrease is unknown, and therefore is not incorporated into the above estimates.

Any additional fiscal or personnel impact is not determinable due to insufficient time to complete the fiscal note process.