



VAPOR TECHNOLOGY ASSOCIATION

Fact Sheet Pennsylvania 40% Wholesale Tax

- The State of Pennsylvania has had a 40% wholesale tax in place since October 1, 2016.
- The tax has been industry crushing legislation which has killed small businesses.
- Over 100 businesses comprising over 20% of retail vapor locations in Pennsylvania have closed from the implementation of the tax.
- These retailers employed anywhere from 3 to 15 employees causing major layoffs of employees from new job opportunities in the last six months.
- More businesses will face closures or layoffs if the tax is not repealed or reformed in Pennsylvania.
- In addition to the harm caused to small businesses, the revenue projections for taxes will be impossible to meet if businesses no longer exist.
- Vapor products are fundamentally different product than combustible tobacco. Combustible tobacco possesses nearly 4,000 chemicals that are not present in vapor products.
- Vapor products should be treated in a fundamentally different manner with regard to tax and regulatory policy than combustible cigarettes.



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