

**To:** House Committee on Revenue

**From:** Deanna Mack, Government Relations Manager, 503-947-2082

**Date:** March 21, 2019

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## States taxing at distribution as Other Tobacco Products (OTP):

**California:** Effective April 1, 2017 the definition of tobacco products was revised to include products containing, made, or derived from tobacco, or nicotine that is intended for human consumption, including e-cigarettes. Tobacco tax is imposed on the first distribution at the rate of 62.78% of wholesale cost.

**District of Columbia:** Definition of tobacco products includes vapor products. Tax is imposed on sale or possession of tobacco products at rate of 96 percent of wholesale sales.

**Minnesota:** Definition of tobacco products includes vapor products by agency rule. Tax is imposed on distributor at rate of 95% of wholesale sales price. Minnesota is the only state that does this by rule and has since 2012.

**Pennsylvania:** Tobacco tax is imposed on electronic cigarettes at 40% of wholesale sales price when sold to retailer.

## States taxing by measurement (milliliter):

**Delaware:** Imposes a sale or use tax upon the distributor on vapor products at a rate of 5-cents per fluid milliliter.

**Kansas:** imposes a tax upon distributor for the privilege of selling or dealing in electronic cigarettes at a rate of 5-cents per fluid milliliter.

**Louisiana:** Tax is levied upon the sale, use, consumption, handling, or distribution of vapor products and electronic cigarettes at a rate of 5-cents per milliliter of consumable nicotine liquid solution, upon first distribution.

**New Jersey:** Liquid nicotine is taxed upon first distribution at rate of 10-cents per liquid milliliter.

**North Carolina:** Excise tax is imposed on vapor products at first distribution at the rate of 5-cents per fluid milliliter.

**West Virginia:** Excise tax is imposed on distributor for e-cigarette liquids at rate of 7.5-cents per milliliter.