

**Revenue Estimating Conference  
Tobacco Tax and Surcharge  
Executive Summary  
July, 2010**

The Revenue Estimating Conference met concerning Tobacco Tax and Surcharge revenues on July 7, 2010. The conference reduced projected collections for 2010-11 by \$14.7 million, recognizing a lower than previously projected growth rate for that year due to having a full 12 months of lower consumption resulting from the increases in Federal and State tax rates. For subsequent fiscal years, reductions in projections for overall collections were made in the amounts of \$15.8 million (2011-12), \$15.7 million (2012-13), and \$15.1 million (2013-14). The table below summarizes the changes in collections and distributions since the February forecast.

**Tobacco Tax and Surcharge Conference  
Comparison of the February 2010 and July 2010 Forecasts**

<b>COLLECTIONS</b>					
	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
<b>Cigarette Tax</b>					
February 2010	305.8	319.2	316.6	314.4	312.8
July 2010	300.5	315.1	312.6	310.4	308.7
Difference	-5.2	-4.1	-4.1	-4.0	-4.2
<b>Cigarette Surcharge *</b>					
February 2010	928.7	955.0	947.4	940.7	936.0
July 2010	953.6	942.8	935.2	928.7	923.6
Difference	24.9	-12.2	-12.1	-12.0	-12.4
<b>OTP Tax</b>					
February 2010	24.9	25.5	26.5	27.3	27.9
July 2010	25.6	25.9	26.6	27.4	28.4
Difference	0.7	0.5	0.1	0.1	0.4
<b>OTP Surcharge *</b>					
February 2010	60.7	61.1	63.6	65.5	67.0
July 2010	63.1	62.3	63.8	65.7	68.0
Difference	2.5	1.2	0.3	0.3	1.0

<b>DISTRIBUTIONS</b>					
	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
<b>Health Care Trust Fund</b>					
February 2010	910.2	934.8	930.0	925.7	922.8
July 2010	929.7	924.6	919.1	914.9	912.3
Difference	19.5	-10.2	-10.9	-10.8	-10.5
<b>General Revenue Service Charge</b>					
February 2010	103.6	106.8	106.2	105.6	105.3
July 2010	105.0	105.6	104.9	104.4	104.0
Difference	1.4	-1.2	-1.3	-1.3	-1.2
<b>General Revenue Excise Tax</b>					
February 2010	183.3	191.5	189.9	188.7	187.7
July 2010	180.2	189.0	187.5	186.1	185.1
Difference	-3.0	-2.5	-2.4	-2.6	-2.7
<b>OTP General Revenue Tax</b>					
February 2010	24.9	25.5	26.5	27.3	27.9
July 2010	25.6	25.9	26.6	27.4	28.4
Difference	0.7	0.5	0.1	0.1	0.4
<b>Total GR Distributions</b>					
February 2010	311.7	323.8	322.5	321.6	320.9
July 2010	310.8	320.6	319.0	317.9	317.4
Difference	-0.9	-3.3	-3.6	-3.7	-3.5
<b>All Other Funds</b>					
February 2010	98.0	102.1	101.3	100.7	100.2
July 2010	96.7	100.9	100.1	99.4	98.9
Difference	-1.3	-1.2	-1.2	-1.2	-1.3

\* 2009-10 figures include floor tax

**Tobacco Tax and Surcharge Conference**  
**Cigarette Tax and Surcharge Forecast**  
 July 7 2010

	Packs (calculated)	% Change	Cigarette Tax								Cigarette Surcharge				
			Cigarette Tax	Refunds	Net Tax	GR Service Charge	AB&T Trust Fund	County Rev Sharing	PMATF	Moffitt Center	General Revenue	Cigarette Surcharge	Floor Tax	GR Service Charge	Health Care Trust Fund
1991-92	1,263.6		422.3		422.3	30.8	3.8	11.2	113.1	0.0	114.6				
1992-93	1,294.4	2.4%	432.6		432.6	31.5	3.9	11.5	116.1	0.0	117.3				
1993-94	1,266.3	-2.2%	423.2		423.2	30.8	3.8	11.3	113.2	0.0	114.4				
1994-95	1,298.0	2.5%	433.8	0.8	433.0	31.6	3.9	11.5	117.6	0.0	117.6				
1995-96	1,312.7	1.1%	438.7	1.5	437.2	31.9	3.9	11.7	118.7	0.0	118.7				
1996-97	1,269.9	-3.3%	424.4	2.4	422.0	30.8	3.8	11.3	113.7	0.0	114.8				
1997-98	1,337.8	5.3%	447.1	4.0	443.1	32.3	4.0	11.9	120.1	0.0	121.1				
1998-99	1,294.4	-3.2%	432.6	4.3	428.3	31.3	3.9	10.5	115.6	4.5	111.9				
1999-2000	1,260.3	-2.6%	421.2	3.3	417.9	30.5	3.8	12.1	112.5	10.5	103.5				
2000-01	1,254.3	-0.5%	419.2	4.4	414.8	30.6	3.7	11.2	112.8	10.3	250.0				
2001-02	1,265.4	0.9%	422.9	4.7	418.2	30.7	3.8	11.2	110.3	10.2	251.9				
2002-03	1,245.1	-1.6%	416.1	5.0	411.1	30.0	3.7	11.1	110.6	11.2	247.6				
2003-04	1,252.9	0.6%	418.7	3.0	415.7	30.5	3.8	11.1	113.0	11.2	248.5				
2004-05	1,314.2	4.9%	439.2	1.1	438.1	32.2	4.0	11.7	119.6	15.8	258.3				
2005-06	1,284.7	-2.2%	429.3	1.0	428.3	31.3	3.9	11.4	115.2	16.0	250.2				
2006-07	1,259.4	-2.0%	420.9	0.1	420.8	30.7	3.8	11.2	113.2	15.9	246.1				
2007-08	1,232.5	-2.1%	411.9	0.3	411.6	29.9	3.7	10.9	110.3	15.9	239.3				
2008-09	1,252.4	1.6%	418.5	0.1	418.5	30.5	3.8	11.1	112.3	10.8	250.4				
<b>2009-10</b>															
February 2010	933.0	-25.5%	305.9	0.2	305.8	24.5	2.8	8.1	81.6	5.6	183.3	831.7	97.0	74.3	854.4
July 2010	959.6	-23.4%	300.7	0.2	300.5	23.6	2.7	8.0	80.3	5.7	180.2	856.1	97.5	76.3	872.0
<b>2010-11</b>															
February 2010	955.6	2.4%	319.3	0.2	319.2	25.5	2.9	8.4	85.2	5.6	191.5	955.0	0.0	76.4	878.6
July 2010	943.3	-1.7%	315.2	0.2	315.1	25.2	2.8	8.3	84.1	5.6	189.0	942.8	0.0	75.4	867.4
<b>2011-12</b>															
February 2010	947.9	-0.8%	316.8	0.2	316.6	25.3	2.8	8.4	84.5	5.6	189.9	947.4	0.0	75.8	871.6
July 2010	935.7	-0.8%	312.7	0.2	312.6	25.0	2.8	8.3	83.4	5.6	187.5	935.2	0.0	74.8	860.4
<b>2012-13</b>															
February 2010	941.3	-0.7%	314.6	0.2	314.4	25.2	2.8	8.3	83.9	5.6	188.7	940.7	0.0	75.3	865.5
July 2010	929.2	-0.7%	310.5	0.2	310.4	24.8	2.8	8.2	82.8	5.6	186.1	928.7	0.0	74.3	854.4
<b>2013-14</b>															
February 2010	936.6	-0.5%	313.0	0.2	312.8	25.0	2.8	8.3	83.5	5.6	187.7	936.0	0.0	74.9	861.1
July 2010	924.1	-0.5%	308.8	0.2	308.7	24.7	2.8	8.2	82.4	5.6	185.1	923.6	0.0	73.9	849.7

**Tobacco Tax and Surcharge Conference**  
**Other Tobacco Products Tax and Surcharge Forecast**  
 July 7 2010

	Wholesale Volume (calculated)	% Change	Other Tobacco Products Tax to GR	Other Tobacco Products Surcharge			
				Surcharge	Floor Tax	GR Service Charge	Health Care Trust Fund
1989-90	49.8		12.5				
1990-91	57.7	15.9%	14.4				
1991-92	60.3	4.4%	15.1				
1992-93	65.4	8.6%	16.4				
1993-94	70.0	7.0%	17.5				
1994-95	74.4	6.3%	18.6				
1995-96	78.0	4.8%	19.5				
1996-97	77.2	-1.0%	19.3				
1997-98	84.0	8.8%	21.0				
1998-99	82.4	-1.9%	20.6				
1999-2000	87.6	6.3%	21.9				
2000-01	94.0	7.3%	23.5				
2001-02	94.4	0.4%	23.6				
2002-03	100.8	6.8%	25.2				
2003-04	110.8	9.9%	27.7				
2004-05	116.0	4.7%	29.0				
2005-06	110.0	-5.2%	27.5				
2006-07	132.4	20.4%	33.1				
2007-08	130.8	-1.2%	32.7				
2008-09	114.2	-12.7%	28.5				
2009-10							
February 2010	97.0	-15.0%	24.9	53.4	7.3	4.9	55.8
July 2010	101.5	-11.1%	25.6	55.8	7.3	5.1	57.7
2010-11							
February 2010	101.9	5.0%	25.5	61.1	0	4.9	56.2
July 2010	103.8	2.3%	25.9	62.3	0	5.0	57.3
2011-12							
February 2010	105.9	4.0%	26.5	63.6	0	5.1	58.5
July 2010	106.4	2.5%	26.6	63.8	0	5.1	58.7
2012-13							
February 2010	109.1	3.0%	27.3	65.5	0	5.2	60.2
July 2010	109.6	3.0%	27.4	65.7	0	5.3	60.5
2013-14							
February 2010	111.7	2.4%	27.9	67.0	0	5.4	61.7
July 2010	113.4	3.5%	28.4	68.0	0	5.4	62.6

**Tobacco Tax and Surcharge Conference**  
**Comparison of the February 2010 and July 2010 Forecasts**

<b>COLLECTIONS</b>					
	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
<b>Cigarette Tax</b>					
February 2010	305.8	319.2	316.6	314.4	312.8
July 2010	300.5	315.1	312.6	310.4	308.7
Difference	-5.2	-4.1	-4.1	-4.0	-4.2
<b>Cigarette Surcharge *</b>					
February 2010	928.7	955.0	947.4	940.7	936.0
July 2010	953.6	942.8	935.2	928.7	923.6
Difference	24.9	-12.2	-12.1	-12.0	-12.4
<b>OTP Tax</b>					
February 2010	24.9	25.5	26.5	27.3	27.9
July 2010	25.6	25.9	26.6	27.4	28.4
Difference	0.7	0.5	0.1	0.1	0.4
<b>OTP Surcharge *</b>					
February 2010	60.7	61.1	63.6	65.5	67.0
July 2010	63.1	62.3	63.8	65.7	68.0
Difference	2.5	1.2	0.3	0.3	1.0

<b>DISTRIBUTIONS</b>					
	<b>2009-10</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>
<b>Health Care Trust Fund</b>					
February 2010	910.2	934.8	930.0	925.7	922.8
July 2010	929.7	924.6	919.1	914.9	912.3
Difference	19.5	-10.2	-10.9	-10.8	-10.5
<b>General Revenue Service Charge</b>					
February 2010	103.6	106.8	106.2	105.6	105.3
July 2010	105.0	105.6	104.9	104.4	104.0
Difference	1.4	-1.2	-1.3	-1.3	-1.2
<b>General Revenue Excise Tax</b>					
February 2010	183.3	191.5	189.9	188.7	187.7
July 2010	180.2	189.0	187.5	186.1	185.1
Difference	-3.0	-2.5	-2.4	-2.6	-2.7
<b>OTP General Revenue Tax</b>					
February 2010	24.9	25.5	26.5	27.3	27.9
July 2010	25.6	25.9	26.6	27.4	28.4
Difference	0.7	0.5	0.1	0.1	0.4
<b>Total GR Distributions</b>					
February 2010	311.7	323.8	322.5	321.6	320.9
July 2010	310.8	320.6	319.0	317.9	317.4
Difference	-0.9	-3.3	-3.6	-3.7	-3.5
<b>All Other Funds</b>					
February 2010	98.0	102.1	101.3	100.7	100.2
July 2010	96.7	100.9	100.1	99.4	98.9
Difference	-1.3	-1.2	-1.2	-1.2	-1.3

\* 2009-10 figures include floor tax