

**Revenue Estimating Conference
Tobacco Tax and Surcharge
Executive Summary
July, 2011**

The Revenue Estimating Conference met concerning Tobacco Tax and Surcharge revenues on July 14, 2011. Based on recent trends in collections relative to the February 2011 estimate, the conference reduced the forecast for Cigarette Tax and Surcharge collections, but increased the forecast for Other Tobacco Products Tax and Surcharge collections. The table below summarizes the changes in collections and distributions since the February Forecast.

**Tobacco Tax and Surcharge Conference
Comparison of the February 2011 and July 2011 Forecasts**

COLLECTIONS					
	2010-11	2011-12	2012-13	2013-14	2014-15
Cigarette Tax					
February 2011	319.2	315.6	313.5	312.6	311.8
July 2011	303.3	304.9	302.4	301.2	300.0
Difference	-15.9	-10.7	-11.1	-11.4	-11.8
Cigarette Surcharge *					
February 2011	955.1	944.3	938.2	935.5	933.0
July 2011	924.2	912.2	904.9	901.3	897.7
Difference	-30.9	-32.1	-33.3	-34.2	-35.3
OTP Tax					
February 2011	25.2	25.6	26.1	26.8	27.3
July 2011	27.3	27.2	27.8	28.4	29.0
Difference	2.0	1.6	1.6	1.7	1.7
OTP Surcharge *					
February 2011	60.5	61.5	62.7	64.3	65.6
July 2011	63.7	65.3	66.6	68.2	69.7
Difference	3.2	3.8	3.9	4.0	4.1

DISTRIBUTIONS					
	2010-11	2011-12	2012-13	2013-14	2014-15
Health Care Trust Fund					
February 2011	934.4	925.3	920.8	919.8	918.7
July 2011	911.7	899.3	893.8	891.9	889.9
Difference	-22.7	-26.1	-27.0	-27.8	-28.8
General Revenue Service Charge					
February 2011	106.8	105.7	105.2	105.0	104.8
July 2011	104.1	102.6	101.9	101.7	101.4
Difference	-2.7	-3.1	-3.2	-3.3	-3.4
General Revenue Excise Tax					
February 2011	191.6	189.3	188.1	187.5	187.0
July 2011	186.2	182.7	181.2	180.4	179.7
Difference	-5.4	-6.6	-6.9	-7.1	-7.3
OTP General Revenue Tax					
February 2011	25.2	25.6	26.1	26.8	27.3
July 2011	27.3	27.2	27.8	28.4	29.0
Difference	2.0	1.6	1.6	1.7	1.7
Total GR Distributions					
February 2011	323.6	320.7	319.3	319.3	319.1
July 2011	317.5	312.5	310.9	310.5	310.1
Difference	-6.0	-8.2	-8.5	-8.7	-9.0
All Other Funds					
February 2011	102.1	101.0	100.4	100.1	99.9
July 2011	99.5	97.8	97.0	96.7	96.3
Difference	-2.6	-3.2	-3.4	-3.5	-3.6

Tobacco Tax and Surcharge Conference
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Tobacco Tax and Surcharge Conference
Cigarette Tax and Surcharge Forecast
 July 2011

	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				
2009-10	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
2010-11															
Feb 11	955.7	-0.4%	319.4	0.2	319.2	25.5	2.9	8.4	85.2	5.6	191.6	955.1	0.0	76.4	878.7
Jul 11	920.1	-4.1%	303.5	0.2	303.3	24.5	2.8	8.2	82.9	5.6	186.2	924.2	0.0	74.5	853.0
2011-12															
Feb 11	944.9	-1.1%	315.8	0.2	315.6	25.2	2.8	8.3	84.2	5.6	189.3	944.3	0.0	75.5	868.8
Jul 11	912.7	-0.8%	305.0	0.2	304.9	24.4	2.7	8.1	81.4	5.6	182.7	912.2	0.0	73.0	839.2
2012-13															
Feb 11	938.7	-0.7%	313.7	0.2	313.5	25.1	2.8	8.3	83.7	5.6	188.1	938.2	0.0	75.1	863.1
Jul 11	905.4	-0.8%	302.6	0.2	302.4	24.2	2.7	8.0	80.7	5.6	181.2	904.9	0.0	72.4	832.5
2013-14															
Feb 11	936.0	-0.3%	312.8	0.2	312.6	25.0	2.8	8.3	83.5	5.6	187.5	935.5	0.0	74.8	860.6
Jul 11	901.8	-0.4%	301.4	0.2	301.2	24.1	2.7	8.0	80.4	5.6	180.4	901.3	0.0	72.1	829.2
2014-15															
Feb 11	933.6	-0.3%	312.0	0.2	311.8	24.9	2.8	8.2	83.2	5.6	187.0	933.0	0.0	74.6	858.4
Jul 11	898.2	-0.4%	300.2	0.2	300.0	24.0	2.7	7.9	80.1	5.6	179.7	897.7	0.0	71.8	825.9

Tobacco Tax and Surcharge Conference
Other Tobacco Products Tax and Surcharge Forecast
 July 2011

	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	101.5	-11.1%	25.6	55.8	7.3	5.1	57.7
2010-11							
Feb 11	100.9	-0.6%	25.2	60.5	0	4.8	55.7
Jul 11	107.1	5.5%	27.3	63.7	0	5.1	58.8
2011-12							
Feb 11	102.5	1.6%	25.6	61.5	0	4.9	56.6
Jul 11	108.8	1.6%	27.2	65.3	0	5.2	60.1
2012-13							
Feb 11	104.5	2.0%	26.1	62.7	0	5.0	57.7
Jul 11	111.0	2.0%	27.8	66.6	0	5.3	61.3
2013-14							
Feb 11	107.1	2.5%	26.8	64.3	0	5.1	59.1
Jul 11	113.7	2.4%	28.4	68.2	0	5.5	62.8
2014-15							
Feb 11	109.3	2.1%	27.3	65.6	0	5.2	60.3
Jul 11	116.1	2.1%	29.0	69.7	0	5.6	64.1

Monthly Tobacco Revenues 2010-11 Compared to February 2011 Estimate

Cigarettes	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Total</u>	Actual Ratio	Expected Ratio
Excise Tax															
Actual	28.8	25.2	25.2	24.1	25.6	26.9	29.3	20.6	20.9	23.3	26.2	27.2	303.4	32.82%	33.42%
Estimate	28.8	25.2	25.2	24.1	25.6	26.9	29.3	25.2	27.5	26.8	27.1	27.5	319.2		
Difference	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4.6	-6.6	-3.5	-0.9	-0.3			
Cumulative	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4.6	-11.2	-14.7	-15.5	-15.8			
Surcharge															
Actual	86.2	75.6	75.7	68.4	79.9	80.3	87.0	61.3	62.5	88.0	78.6	80.7	924.2		
Estimate	86.2	75.6	75.7	68.4	79.9	80.3	87.0	75.3	82.3	80.2	81.2	83.0	955.1		
Difference	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-14.0	-19.8	7.8	-2.6	-2.3			
Cumulative	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-14.0	-33.8	-26.0	-28.6	-30.9			
Total															
Actual	115.0	100.8	100.9	92.5	105.5	107.1	116.3	81.9	83.4	111.3	104.8	107.9	1,227.6		
Estimate	115.0	100.8	100.9	92.5	105.5	107.1	116.3	100.5	109.8	107.0	108.3	110.5	1,274.3		
Difference	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-18.6	-26.4	4.3	-3.5	-2.6			
Cumulative	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-18.6	-45.0	-40.7	-44.1	-46.7			
	92.1	86.2	136.1	99.8	117.6	107.7	101.4	97.8	101.1	102.8	100.1	111.4	1254.14		
													0.97882		
Other Tobacco Products															
Wholesale Tax															
Actual	2.1	2.2	2.2	2.0	2.0	2.4	1.9	2.2	2.4	2.6	2.1	3.2	27.2	42.68%	41.64%
Estimate	2.1	2.2	2.2	2.0	2.0	2.4	1.9	2.0	2.4	2.2	1.9	2.0	25.2		
Difference	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.4	0.2	1.2			
Cumulative	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.6	0.8	2.0			
Surcharge															
Actual	5.4	5.2	5.3	4.2	4.9	5.4	4.8	5.7	5.5	6.7	5.0	5.7	63.7		
Estimate	5.4	5.2	5.3	4.2	4.9	5.4	4.8	5.1	6.2	5.5	4.8	3.8	60.5		
Difference	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	-0.7	1.2	0.2	1.9			
Cumulative	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	-0.1	1.1	1.3	3.2			
Total															
Actual	7.6	7.3	7.5	6.1	6.8	7.7	6.7	7.9	7.9	9.3	7.1	8.9	91.0		
Estimate	7.6	7.3	7.5	6.1	6.8	7.7	6.7	7.1	8.6	7.7	6.7	5.8	85.8		
Difference	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	-0.7	1.6	0.4	3.1			
Cumulative	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.1	1.7	2.1	5.2			