

A CLOSER LOOK AT OUR TOBACCO TAX

A loophole in Wisconsin tax law allows tobacco products like little cigars to be treated differently than cigarettes.

Functionally, little cigars are cigarettes. However, because they are wrapped in brown paper containing tobacco, they have been misclassified in law as “other tobacco products.”



CONSEQUENCES OF OUR TAX STRUCTURE

- Cheaper prices make these harmful tobacco products more accessible to Wisconsin youth.
- Tax collections on little cigars and similar products are about 1/3 of what they could be.

All cigarettes are taxed at \$2.52

Why should little cigars and other cigarette-like products be treated differently?

TAX
\$2.52

20 Cigarettes



TAX
\$0.78*

20 Little Cigars

*The exact tobacco tax will differ based on wholesale prices