TAX: Cigarette Tax

ISSUE: Additional Fee for Non-Settling Manufacturers

BILL NUMBER(s): HB405/SB2112 SPONSOR(s): Rep. Farkas, Sen. Dockery

MONTH/YEAR COLLECTION IMPACT BEGINS: Upon Becoming Law

DATE OF ANALYSIS: 3/15/04 SECTION 1: NARRATIVE

a. Current Law: Currently non-settling manufacturers do not pay any additional fees to operate in the state.

b. Proposed Change: These bills create s. 210.0205, F.S., which imposes a 25 mill per cigarette (50 cents per 20 cigarette pack) fee on the sale, receipt, purchase, possession, handling, distribution, and use of nonsettling-cigarette manufacturer cigarettes sold in Florida. The fee is indexed to the CPI. This fee is in addition to excise and sales taxes already imposed on the sale of cigarettes. Nonsettling manufacturers are all manufacturers with the exception of the five manufacturers who have entered into agreements with Florida.

SECTION 2: DESCRIPTION OF DATA & SOURCES

The projection of the number of packs sold under current law is based on the November 2003 General Revenue Estimating conference. DBPR provided Florida estimates of packs currently being sold by settling manufacturers. Estimates of national market share by settling manufacturers are based on the Tobacco Settlement Conference.

SECTION 3: ASSUMPTIONS & RATIONALE

Packs sold are assumed to have no growth in 2005-06 over 2004-05. The CPI is assumed to first be applied in January of 2005. The high estimate assumes that the size of the non-settling market is 13.4% of the total market in Florida, as reported for the National market in the latest Tobacco Settlement Conference. The middle estimate assumes that the size of the market is reduced by 25% due to relative price changes after the fee is imposed. The low estimate assumes that the size of the market is reduced by 50% due to those changes.

SECTION 4: METHODOLOGY

See attached.

SECTION 5: IMPACT SUMMARY (DETAILS ATTACHED)

State Impact—All Funds	FY 2004-05 Annualized	FY 2004-05 Cash	FY 2005-06 Cash
High	\$86.1	\$79.0	\$88.7
Middle	\$64.7	\$59.3	\$66.7
Low	\$43.2	\$39.6	\$44.5

Consensus Estimate:		FY 2004-05	FY 2005-06
Adopted: 3 / 16/ 04	FY 2004-05 Annualized	Cash	Cash
General Revenue	3.3	4.2	4.3
State Trust	39.7	49.5	51.1
Total State Impact	43.0	53.7	55.4
Total Local Impact	.2	.2	. 2
Total Impact	43.2	53.9	55.6

HB405/SB2112 Market share information

Settling manufacturers Market Share as measured by DBPR data

1999-00 2000-01 2001-02 2002-03 2003-04*

0.857 0.902 0.85 0.846 0.843

*through October 2003

Settling manufacturers National Market Share from Tobacco Settlement Conference (excludes Liggett)

derived by averaging the appropriate calendar year estimates

2000-01 2001-02 2002-03 2003-04 2004-05

adding in estimate of Liggett from RJR site

0.8772 0.866

Range in national estimates for nonsettling manufacturers from various sources range from 8.2% to 15%

B&W B&W B&W Lorillard Lorillard Lorillard Lorillard PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	Capri Carlton Kool Lucky Strike Kent Newport Old Gold True Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	32.99 32.99 24.89 32.99 31.19 32.99 31.19 32.99 32.39 31.59 28.49 32.99 30.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99	B&W B&W Reynolds Reynolds PhilipMorris Commonwealth Commonwealth NPM Liggett Liggett	GPC Misty Viceroy Monarch Doral Basic Montclair Malibu average Marathon Jade Pyramid average	22.99 21.99 18.99 20.99 22.99 23.68 20.99 22.99 21.95 13.99	Lorillard Alliance Commonwealth Japan Tobacco Farmer's NPM NPM NPM NPM NPM NPM NPM NPM NPM NP	Maverick Durant USA Gold Wave Kentucky's Best average Kingsley Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours average	18.99 12.99 14.99 15.99 16.39 11.69 11.99 12.99 14.60 12.18
B&W B&W Lorillard Lorillard Lorillard Lorillard PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds	Kool Lucky Strike Kent Newport Old Gold True Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston	24.89 32.99 32.99 31.19 32.99 32.99 32.39 31.59 28.49 32.99 30.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99	B&W Reynolds Reynolds PhilipMorris Commonwealth Commonwealth NPM Liggett	Viceroy Monarch Doral Basic Montclair Malibu average Marathon Jade Pyramid	18.99 20.99 22.99 23.68 20.99 22.99 21.95 13.99	Commonwealth Japan Tobacco Farmer's NPM NPM NPM NPM NPM NPM NPM NPM NPM NP	USA Gold Wave Kentucky's Best average Kingsley Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	12.99 18.99 14.99 15.99 16.39 11.69 11.99 12.99 14.69 12.19 14.99 13.99
B&W Lorillard Lorillard Lorillard Lorillard PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	Lucky Strike Kent Newport Old Gold True Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	32.99 32.99 31.19 32.99 32.39 31.59 28.49 32.99 32.99 28.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 31.30	Reynolds Reynolds PhilipMorris Commonwealth Commonwealth NPM Liggett	Monarch Doral Basic Montclair Malibu average Marathon Jade Pyramid	20.99 22.99 23.68 20.99 22.99 21.95 13.99	Japan Tobacco Farmer's NPM NPM NPM NPM NPM NPM NPM NPM NPM NP	Wave Kentucky's Best average Kingsley Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	14.99 15.99 16.39 9.59 11.69 11.99 12.99 14.69 12.18
Lorillard Lorillard Lorillard Lorillard PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	Kent Newport Old Gold True Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	32.99 31.19 32.99 32.99 32.39 31.59 28.49 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99	Reynolds PhilipMorris Commonwealth Commonwealth NPM Liggett	Monarch Doral Basic Montclair Malibu average Marathon Jade Pyramid	20.99 22.99 23.68 20.99 22.99 21.95 13.99	Japan Tobacco Farmer's NPM NPM NPM NPM NPM NPM NPM NPM NPM NP	Wave Kentucky's Best average Kingsley Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	14.99 15.99 16.39 9.59 11.69 12.99 14.69 12.14
Lorillard Lorillard Lorillard PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	Newport Old Gold True Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	31.19 32.99 32.39 31.59 28.49 32.99 30.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99 32.99	Reynolds PhilipMorris Commonwealth Commonwealth NPM Liggett	Basic Montclair Malibu average Marathon Jade Pyramid	22.99 23.68 20.99 22.99 21.95 13.99	NPM	Kentucky's Best average Kingsley Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	9.55 13.99 11.66 11.99 9.49 12.96 12.16 14.96 13.96
Lorillard Lorillard PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	Old Gold True Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	32.99 32.99 32.39 31.59 28.49 32.99 30.99 32.99 28.99 32.99 32.99 29.99 29.99 29.99 31.30	Commonwealth Commonwealth NPM Liggett	Montclair Malibu average Marathon Jade Pyramid	20.99 22.99 21.95 13.99 17.99 19.99	NPM NPM NPM NPM NPM NPM NPM	average Kingsley Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	9.55 13.99 11.66 11.99 9.49 12.99 14.66 12.16
Lorillard PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	True Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	32.99 32.39 31.59 28.49 32.99 30.99 32.99 28.99 32.99 32.99 29.99 29.99 29.99 31.30	Commonwealth Commonwealth NPM Liggett	Malibu average Marathon Jade Pyramid	22.99 21.95 13.99 17.99 19.99	NPM NPM NPM NPM NPM NPM NPM	Kingsley Marathon Silver Westport Berkley Bronco GT One Gunsmoke average	9.56 13.99 11.66 11.99 9.49 12.99 14.66 12.16
PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston	32.39 31.59 28.49 32.99 30.99 32.99 28.99 32.99 32.99 32.99 32.99 29.99 29.99 31.30	NPM Liggett	average Marathon Jade Pyramid	22.99 21.95 13.99 17.99 19.99	NPM NPM NPM NPM NPM NPM NPM	Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	13.99 11.69 9.49 12.99 14.60 12.10
PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston	31.59 28.49 32.99 30.99 32.99 28.99 28.99 32.99 32.99 29.99 29.99 29.99	Liggett	Marathon Jade Pyramid	21.95 13.99 17.99 19.99	NPM NPM NPM NPM NPM NPM NPM	Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	13.99 11.69 9.49 12.99 14.69 12.18
PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds	L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston	28.49 32.99 30.99 32.99 28.99 28.99 32.99 32.99 29.99 29.99 29.99 31.30	Liggett	Marathon Jade Pyramid	13.99 17.99 19.99	NPM NPM NPM NPM NPM NPM NPM	Marathon Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	13.99 11.69 9.49 12.99 14.69 12.18
PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds	Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	28.49 32.99 30.99 32.99 28.99 28.99 32.99 32.99 29.99 29.99 29.99 31.30	Liggett	Jade Pyramid	17.99 19.99	NPM NPM NPM NPM NPM NPM	Silver Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	11.69 9.49 12.99 14.69 12.10
PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds	Merit Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	32.99 30.99 32.99 28.99 28.99 32.99 32.99 29.99 29.99 29.99	Liggett	Jade Pyramid	17.99 19.99	NPM NPM NPM NPM NPM	Westport Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	11.99 9.49 12.99 14.69 12.16 14.99 13.99
PhilipMorris PhilipMorris PhilipMorris Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds	Cambridge Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	30.99 32.99 28.99 28.99 32.99 32.99 29.99 29.99 29.99 31.30	Liggett	Jade Pyramid	17.99 19.99	NPM NPM NPM NPM	Berkley Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	9.49 12.99 14.69 12.16 14.99 13.99
PhilipMorris PhilipMorris Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds	Chesterfield Virginia Slims Camel More Now Salem Vantage Winston average	32.99 28.99 28.99 32.99 32.99 29.99 29.99 29.99 31.30		Pyramid	19.99	NPM NPM NPM Liggett	Bronco GT One Gunsmoke average Liggett Select Sincerely Yours	12.99 12.99 14.69 12.16 14.99 13.99
PhilipMorris Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds	Virginia Slims Camel More Now Salem Vantage Winston average	28.99 28.99 32.99 32.99 29.99 29.99 29.99 31.30		Pyramid	19.99	NPM NPM Liggett	GT One Gunsmoke average Liggett Select Sincerely Yours	12.99 14.69 12.16 14.99 13.99
Reynolds Reynolds Reynolds Reynolds Reynolds Reynolds	Camel More Now Salem Vantage Winston average	28.99 32.99 32.99 29.99 29.99 29.99 31.30		Pyramid	19.99	NPM Liggett	Gunsmoke average Liggett Select Sincerely Yours	14.69 12.18 14.99 13.98
Reynolds Reynolds Reynolds Reynolds Reynolds	More Now Salem Vantage Winston average	32.99 32.99 29.99 29.99 29.99 31.30	Eggott	,		Liggett	average Liggett Select Sincerely Yours	12.16 14.99 13.99
Reynolds Reynolds Reynolds Reynolds	Now Salem Vantage Winston average	32.99 29.99 29.99 29.99 31.30		average	10.99		Liggett Select Sincerely Yours	14.99
Reynolds Reynolds Reynolds	Salem Vantage Winston average	29.99 29.99 29.99 31.30					Sincerely Yours	13.98
Reynolds Reynolds	Vantage Winston average	29.99 29.99 31.30					Sincerely Yours	13.95
Reynolds	Winston average	29.99 31.30					Sincerely Yours	13.98
	average	31.30				Liggett		
Liggett							average	14.4
Liggett	Eve	24.44						
okes (NC)								
kes.com								
)	Premium			Generic		-	Value	
	Capri	30.35	B&W	GPC	19.99	Lorillard	Maverick	18.49
B&W	Carlton	30.35	B&W	Misty	19.69	Commonwealth	USA Gold	18.09
B&W	Kool	25.09	B&W	Viceroy	19.69	Vector Tobacco	USA	15.29
B&W	Lucky Strike	30.35	PhilipMorris	Basic	24.99	Farmer's	Kentucky's Best	15.99
Lorillard	Kent	30.99	Reynolds	Monarch	20.39	Premier Manuf.	Shield	14.99
Lorillard	Newport	30.35	Reynolds	Doral	23.49	Japan Tobacco	Wave	15.99
Lorillard	True	30.49	Commonwealth	Malibu	19.69	Lignum-2	Rave	11.99
Lorillard	Old Gold	27.95	Commonwealth	Montclair	19.69		average	15.83
PhilipMorris	Benson&Hedges	30.35		average	20.95			
PhilipMorris	L&M	30.50						
PhilipMorris	Marlboro	29.99				NPM	Silver	11.79
PhilipMorris	Merit	30.99	NPM	Bailey's	16.99	NPM	GT One	11.99
PhilipMorris	Cambridge	28.10				NPM	Cowboys	12.09
	Chesterfield	30.50				NPM	Carnival	14.0
	Virginia Slims	29.99	Liggett	Jade	15.69	NPM	Marathon	10.0
	Camel	30.25	Liggett	Pyramid	16.49	NPM	Roger	13.99
	More	30.95	99944	average	16.09	NPM	Rodeo	11.0
	Now	30.95		arologo	. 5.55		average	12.1
	Salem	30.19					avorage	12.1
	Vantage	30.99						
	Winston	30.25				Liggett	Liggett Select	15.0
,	average	30.00				Liggett	Epic Select	14.99
	average	30.00				Liggett	average	15.04
Liggett	Eve	19.99					average	15.04

Big Daddy Smokes (KY) bigdaddysmokes.com

					Non-Settling per HB405/SB2112								
Original	Participating Manufactu	irers		Ligget		Subsequent	Participating Manufa			Participating Manufac	urers		
B&W B&W B&W B&W Lorillard Lorillard Lorillard PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris PhilipMorris Reynolds Reynolds Reynolds	Capri Carlton Kool Lucky Strike Kent Newport Old Gold True Benson&Hedges L&M Marlboro Merit Cambridge Chesterfield Virginia Slims Camel More Now	32.99 32.99 32.99 32.99 32.99 31.19 32.99 32.39 31.59 28.49 32.99 30.99 32.99 32.99 32.99 32.99 32.99 32.99	Liggett Liggett Liggett Liggett Liggett	Jade Pyramid Eve Liggett Select Sincerely Yours AVERAGE	17.99 19.99 24.44 14.99 13.95 18.27	Commonwealth Commonwealth Alliance Commonwealth Japan Tobacco Farmer's		20.99 22.99 12.99 18.99 14.99 15.99 17.82	NPM NPM NPM NPM NPM NPM NPM NPM	Marathon Kingsley Marathon Silver Westport Berkley Bronco GT One Gunsmoke AVERAGE	13.9 9.5 13.9 11.6 11.9 9.4 12.9 14.6 12.3		
Reynolds Reynolds B&W B&W B&W Reynolds Reynolds Reynolds Reinolds PhilipMorris Lorillard	Salem Vantage Winston GPC Misty Viceroy Monarch Doral Basic Maverick AVERAGE	29.99 29.99 29.99 22.99 21.99 18.99 20.99 22.99 23.68 18.99 28.86											
nokes (NC) okes.com	AVERAGE	28.80					N	on-Settling per	r HB405/SB211	2			
Original I	Participating Manufactu	irers		Ligget		Subsequent	Participating Manufa	cturers	Nor	Participating Manufac	turers		
B&W B&W B&W Lorillard Lorillard Lorillard PhilipMorris PhilipMorris PhilipMorris	Capri Carlton Kool Lucky Strike Kent Newport True Old Gold Benson&Hedges L&M Marlboro	30.35 30.35 25.09 30.35 30.99 30.35 30.49 27.95 30.35 30.50 29.99	Liggett Liggett Liggett Liggett Liggett	Eve Jade Pyramid Liggett Select Epic AVERAGE	19.99 15.69 16.49 15.09 14.99 16.45	Commonwealth Vector Tobacco Farmer's Premier Manuf. Japan Tobacco Lignum-2 Commonwealth Commonwealth	USA Kentucky's Best Shield Wave Rave Malibu	18.09 15.29 15.99 14.99 15.99 11.99 19.69 19.69 16.47	NPM NPM NPM NPM NPM NPM NPM	Silver GT One Cowboys Carnival Marathon Roger Rodeo Balley's AVERAGE	11.7 11.9 12.0 14.0 10.0 13.9 11.0 16.9		
PhilipMorris BhilipMorris	Merit	30.99											

B&W	Canal	20.00
	Capri	30.35
B&W	Carlton	30.35
B&W	Kool	25.09
B&W	Lucky Strike	30.35
Lorillard	Kent	30.99
Lorillard	Newport	30.35
Lorillard	True	30.49
Lorillard	Old Gold	27.95
PhilipMorris	Benson&Hedges	30.35
PhilipMorris	L&M	30.50
PhilipMorris	Marlboro	29.99
PhilipMorris	Merit	30.99
PhilipMorris	Cambridge	28.10
PhilipMorris	Chesterfield	30.50
PhilipMorris	Virginia Slims	29.99
Reynolds	Camel	30.25
Reynolds	More	30.95
Reynolds	Now	30.95
Reynolds	Salem	30.19
Reynolds	Vantage	30.99
Reynolds	Winston	30.25
B&W	GPC	19.99
B&W	Misty	19.69
B&W	Viceroy	19.69
PhilipMorris	Basic	24.99
Reynolds	Monarch	20.39
Reynolds	Doral	23.49
Lorillard	Maverick	18.49
	AVERAGE	27.74

HB 405/SB2112
Impact of indexed 50 cents per pack fee for Nonsettling Manufacturers (NSM's)
Current is November 2003 GR Conference
High estimate--assumes Florida share equal to National share of 13.4% of market for NSM's (from Tobacco Settlement Conference)--no change in market share

			2004	-05					2005-06		
	Current		Revis	ed	Recurring First	First	Curr	ent	Revis	ed	
	\$'s	%'s	\$'s	%'s	DIff	Year	\$'s	%'s	\$'s	%'s	DIff
Elasticity			-0.400						-0.400		
Base Price per pack (not incl. sales tax)	3.551		3.551				3.551		3.551		
New fee for NSM's			0.508						0.523		
Percentage of market by NSM's			0.134						0.134		
Average statewide Price per pack (not incl. Sales Tax)	\$3.6290		\$3.6970		\$0.0680		\$3.8300		\$3.9000		\$0.0700
Fiscal year average Tax (after dealer allowance)	\$0.3342		\$0.4022		\$0.0680		\$0.3342		\$0.4042		\$0.0700
Packs Sold (Millions)	1276.2		1266.6		-9.6		1276.2		1266.7		-9.5
Total Revenue 210.02 (Millions)	\$426.5		\$423.3		(\$3.2)	(\$2.9)	\$426.5		\$423.3		(\$3.2)
Less Refunds	\$5.2		\$5.2		(\$0.0)	(\$0.0)	\$5.2		\$5.2		(\$0.0)
Net Revenue	\$421.3		\$418.1		(\$3.2)	(\$2.9)	\$421.3		\$418.2		(\$3.1)
GR Service Charge	\$30.8	7.30%	\$30.5	7.30%	(\$0.3)	(\$0.3)	\$30.8	7.30%	\$30.5	7.30%	(\$0.3)
DBR	\$3.8	0.90%	\$3.8	0.91%	\$0.0	\$0.0	\$3.8	0.90%	\$3.8	0.91%	\$0.0
Net to be distributed	\$386.7		\$383.8		(\$2.9)	(\$2.6)	\$386.7		\$383.8		(\$2.9)
Rev. sharing, counties	\$11.2	2.90%	\$11.1	2.90%	(\$0.1)	(\$0.1)	\$11.2	2.90%	\$11.1	2.90%	(\$0.1)
PMATF	\$113.3	29.30%	\$112.5	29.30%	(\$0.8)	(\$0.7)	\$113.3	29.30%	\$112.5	29.30%	(\$0.8)
GR	\$246.3	65.21%	\$244.4	65.21%	(\$1.9)	(\$1.7)	\$246.3	65.21%	\$244.4	65.21%	(\$1.9)
Moffitt Center, Part 1	\$10.2	2.59%	\$10.2	2.59%	\$0.0	\$0.0	\$10.2	2.59%	\$10.2	2.59%	\$0.0
Moffitt Center, Part 2	\$5.7	1.47%	\$5.6	1.47%	(\$0.1)	(\$0.1)	\$5.7	1.47%	\$5.6	1.47%	(\$0.1)
Total New Revenue 210.0205 (Millions)			\$86.1		\$86.1	\$79.0			\$88.7		\$88.7
GR Service Charge			\$6.3	7.30%	\$6.3	\$5.8			\$6.5	7.30%	\$6.5
Net to be distributed			\$79.8		\$79.8	\$73.2			\$82.2		\$82.2
TRUTH campaign (HB only)			\$40.0	20%	\$40.0	\$36.7			\$40.0	20%	\$40.0
Youth anti-smoking (SB only)			\$16.0	20%	\$16.0	\$14.6			\$16.4	20%	\$16.4
Sales Tax Impact					\$3.1	\$2.8					\$3.1
GR					\$2.7	\$2.5					\$2.8
Local					\$0.4	\$0.3					\$0.4
Total Impact					\$86.0	\$78.9					\$88.7
GR					\$6.9	\$6.3					\$7.1
Local					\$0.3	\$0.2					\$0.3
State Trust					\$78.9	\$72.4					\$81.3

Economic and Demographic Research

HB 405/SB2112 Impact of indexed 50 cents per pack fee for Nonsettling Manufacturers (NSM's) Current is November 2003 GR Conference Middle estimate--assumes Florida share of 10.05% of market for NSM's--loss of 25% market share

	2004-05					2005-06						
	Current		Revised		Recurring First		Curr	ent	Revis	ed		
	\$'s	%'s	\$'s	%'s	DIff	Year	\$'s	%'s	\$'s	%'s	DIff	
Elasticity		100	-0.400						-0.400			
Base Price per pack (not incl. sales tax)	3.551		3.551				3.551		3.551			
New fee for NSM's			0.508						0.523			
Percentage of market by NSM's			0.101						0.101			
Average statewide Price per pack (not incl. Sales Tax)	\$3.6290		\$3.6800		\$0.0510		\$3.8300		\$3.8825		\$0.0525	
Fiscal year average Tax (after dealer allowance)	\$0.3342		\$0.3852		\$0.0510		\$0.3342		\$0.3867		\$0.0525	
Packs Sold (Millions)	1276.2		1269.0		-7.2		1276.2		1269.0		-7.2	
Total Revenue 210.02 (Millions)	\$426.5		\$424.1		(\$2.4)	(\$2.2)	\$426.5		\$424.1		(\$2.4)	
Less Refunds	\$5.2		\$5.2		(\$0.0)	(\$0.0)	\$5.2		\$5.2		(\$0.0)	
Net Revenue	\$421.3		\$418.9		(\$2.4)	(\$2.2)	\$421.3		\$418.9		(\$2.4)	
GR Service Charge	\$30.8	7.30%	\$30.6	7.30%	(\$0.2)	(\$0.2)	\$30.8	7.30%	\$30.6	7.30%	(\$0.2)	
DBR	\$3.8	0.90%	\$3.8	0.91%	\$0.0	\$0.0	\$3.8	0.90%	\$3.8	0.91%	\$0.0	
Net to be distributed	\$386.7	0.5076	\$384.6	0.5176	(\$2.2)	(\$2.0)	\$386.7	0.90%	\$384.5	0.9176	(\$2.2)	
Rev. sharing, counties	\$11.2	2.90%	\$11.2	2.90%	\$0.0	\$0.0	\$11.2	2.90%	\$11.2	2.90%	\$0.0	
PMATF	\$113.3	29.30%	\$112.7	29.30%	(\$0.6)	(\$0.5)	\$113.3	29.30%	\$112.7	29.30%	(\$0.6)	
GR	\$246.3	65.21%	\$244.8	65.21%	(\$1.6)	(\$1.4)	\$246.3	65.21%	\$244.7	65.21%	*	
Moffitt Center, Part 1	\$10.2	2.59%	\$10.2	2.59%	\$0.0	\$0.0	\$10.2	2.59%	\$10.2	2.59%	(\$1.6)	
Moffitt Center, Part 2	\$5.7	1.47%	\$5.7	1.47%	\$0.0	\$0.0	\$5.7	1.47%	\$5.7	1.47%	\$0.0 \$0.0	
T. (.1)												
Total New Revenue 210.0205 (Millions)			\$64.7		\$64.7	\$59.3			\$66.7		\$66.7	
GR Service Charge			\$4.7	7.30%	\$4.7	\$4.3			\$4.9	7.30%	\$4.9	
Net to be distributed			\$60.0		\$60.0	\$55.0			\$61.8		\$61.8	
TRUTH campaign (HB only)			\$40.0	20%	\$40.0	\$36.7			\$40.0	20%	\$40.0	
Youth anti-smoking (SB only)			\$12.0	20%	\$12.0	\$11.0			\$12.4	20%	\$12.4	
Sales Tax Impact					\$2.3	\$2.1					\$2.3	
GR					\$2.0	\$1.9					\$2.1	
Local					\$0.3	\$0.3					\$0.3	
Total Impact					\$64.6	\$59.3					\$66.6	
GR					\$5.0	\$4.6					\$5.2	
Local					\$0.3	\$0.3					\$0.3	
State Trust					\$59.4	\$54.5					\$61.2	
					Ψ.50.4	Ψ04.0					Ψ01.2	

Economic and Demographic Research

HB 405/SB2112
Impact of indexed 50 cents per pack fee for Nonsettling Manufacturers (NSM's)
Current is November 2003 GR Conference
Low estimate--assumes Florida share of 6.7% of market for NSM's--loss of 50% market share

			200	4-05					2005-06		
	Current		Revised		Recurring First		Curr	ent	Revis	ed	
	\$'s	%'s	\$'s	%'s	DIff	Year	\$'s	%'s	\$'s	%'s	DIff
Elasticity			-0.400	104		- 63			-0.400		
Base Price per pack (not incl. sales tax)	3.551		3.551				3.551		3.551		
New fee for NSM's (indexed)			0.508						0.523		
Percentage of market by NSM's			0.067						0.067		
Average statewide Price per pack (not incl. Sales Tax)	\$3.6290		\$3.6630		\$0.0340		\$3.8300		\$3.8650		\$0.0350
Fiscal year average Tax (after dealer allowance)	\$0.3342		\$0.3682		\$0.0340		\$0.3342		\$0.3692		\$0.0350
Packs Sold (Millions)	1276.2		1271.4		-4.8		1276.2		1271.3		-4.9
Total Revenue 210.02 (Millions)	\$426.5		\$424.9		. (\$1.6)	(\$1.5)	\$426.5		\$424.9		(\$1.6)
Less Refunds	\$5.2		\$5.2		(\$0.0)	(\$0.0)	\$5.2		\$5.2		*
Net Revenue	\$421.3		\$419.7		(\$1.6)	(\$1.4)	\$421.3		\$419.7		(\$0.0)
GR Service Charge	\$30.8	7.30%	\$30.6	7.30%	(\$0.2)	(\$0.1)	\$30.8	7.30%		7 200/	(\$1.6)
DBR	\$3.8	0.90%	\$3.8	0.91%	\$0.0	\$0.0	\$30.8		\$30.6	7.30%	(\$0.2)
Net to be distributed	\$386.7	0.9076	\$385.3	0.9176	(\$1.4)	(\$1.3)		0.90%	\$3.8	0.91%	\$0.0
Rev. sharing, counties	\$11.2	2.90%	\$11.2	2.90%	\$0.0	\$0.0	\$386.7 \$11.2	2.000/	\$385.3	0.000/	(\$1.4)
PMATF	\$113.3	29.30%	\$112.9	29.30%				2.90%	\$11.2	2.90%	\$0.0
GR	\$246.3	65.21%	\$245.3		(\$0.4)	(\$0.4)	\$113.3	29.30%	\$112.9	29.30%	(\$0.4)
Moffitt Center, Part 1	\$10.2	2.59%		65.21%	(\$1.0)	(\$0.9)	\$246.3	65.21%	\$245.3	65.21%	(\$1.0)
Moffitt Center, Part 2	\$5.7		\$10.2	2.59%	\$0.0	\$0.0	\$10.2	2.59%	\$10.2	2.59%	\$0.0
Monte Genter, Part 2	\$5.7	1.47%	\$5.7	1.47%	\$0.0	\$0.0	\$5.7	1.47%	\$5.7	1.47%	\$0.0
Total New Revenue 210.0205 (Millions)			\$43.2		\$43.2	\$39.6			\$44.5		\$44.5
GR Service Charge			\$3.2	7.30%	\$3.2	\$2.9			\$3.3	7.30%	\$3.3
Net to be distributed			\$40.1		\$40.1	\$36.7			\$41.3		\$41.3
TRUTH campaign (HB only)			\$40.0	20%	\$40.0	\$36.7			\$40.0	20%	\$40.0
Youth anti-smoking (SB only)			\$8.0	20%	\$8.0	\$7.3			\$8.3	20%	\$8.3
Sales Tax Impact					\$1.6	\$1.4					\$1.6
GR					\$1.4	\$1.3					\$1.4
Local					\$0.2	\$0.2					\$0.2
Total Impact					\$43.2	\$39.6					\$44 F
GR					\$3.3	\$3.1					\$44.5
Local					\$0.2	\$0.2					\$3.4
State Trust					\$39.7						\$0.2
					\$39.7	\$36.4					\$40.9

Economic and Demographic Research