

**Revenue Estimating Conference
Tobacco Tax and Surcharge
Executive Summary
January, 2012**

The Revenue Estimating Conference met concerning Tobacco Tax and Surcharge revenues on January 6, 2012. Based on recent trends in collections relative to the September 2011 estimate, the conference reduced both the forecast for Cigarette Tax and Surcharge collections and the forecast for Other Tobacco Products Tax and Surcharge unchanged. The table below summarizes the changes in collections and distributions since the September Forecast.

**Tobacco Tax and Surcharge Conference
Comparison of the September 2011 and January 2012 Forecasts**

COLLECTIONS					
	2011-12	2012-13	2013-14	2014-15	2015-16
Cigarette Tax					
September 2011	301.7	298.3	296.0	294.4	293.1
January 2012	289.4	286.2	284.0	282.6	281.5
Difference	-12.3	-12.1	-11.9	-11.8	-11.6
Cigarette Surcharge					
September 2011	902.7	892.6	885.6	880.9	877.0
January 2012	866.0	856.5	849.9	845.7	842.3
Difference	-36.7	-36.1	-35.7	-35.2	-34.7
OTP Tax					
September 2011	27.2	27.8	28.4	29.0	29.6
January 2012	27.0	27.3	27.8	28.3	28.7
Difference	-0.2	-0.4	-0.6	-0.8	-0.9
OTP Surcharge					
September 2011	65.3	66.6	68.2	69.7	70.9
January 2012	64.8	65.6	66.7	67.8	68.8
Difference	-0.5	-1.0	-1.5	-1.9	-2.1
DISTRIBUTIONS					
	2011-12	2012-13	2013-14	2014-15	2015-16
Health Care Trust Fund					
September 2011	890.6	882.5	877.5	874.5	872.1
January 2012	856.3	848.3	843.3	840.4	838.2
Difference	-34.2	-34.2	-34.3	-34.1	-33.8
General Revenue Service Charge					
September 2011	101.6	100.6	100.0	99.6	99.3
January 2012	97.6	96.7	96.1	95.7	95.4
Difference	-4.0	-3.9	-3.9	-3.9	-3.9
General Revenue Excise Tax					
September 2011	180.7	178.7	177.2	176.2	175.4
January 2012	173.2	171.2	169.8	169.0	168.3
Difference	-7.6	-7.5	-7.4	-7.3	-7.2
OTP General Revenue Tax					
September 2011	27.2	27.8	28.4	29.0	29.6
January 2012	27.0	27.3	27.8	28.3	28.7
Difference	-0.2	-0.4	-0.6	-0.8	-0.9
Total GR Distributions					
September 2011	309.5	307.0	305.6	304.9	304.3
January 2012	297.8	295.2	293.7	292.9	292.4
Difference	-11.7	-11.8	-11.9	-12.0	-11.9
All Other Funds					
September 2011	96.8	95.8	95.1	94.6	94.2
January 2012	93.1	92.1	91.5	91.1	90.7
Difference	-3.7	-3.7	-3.6	-3.6	-3.5

**Tobacco Tax and Surcharge Conference
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Tobacco Tax and Surcharge Conference
Cigarette Tax and Surcharge Forecast
 Jan 06, 2012

	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	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															
Sept 11	903.3	-1.8%	301.9	0.2	301.7	24.1	2.7	8.0	80.5	5.6	180.7	902.7	0.0	72.2	830.5
Jan 12	866.5	-5.8%	289.6	0.2	289.4	23.2	2.6	7.6	77.3	5.6	173.2	866.0	0.0	69.3	796.7
2012-13															
Sept 11	893.2	-1.1%	298.5	0.2	298.3	23.9	2.7	7.9	79.6	5.6	178.7	892.6	0.0	71.4	821.2
Jan 12	857.0	-1.1%	286.4	0.2	286.2	22.9	2.6	7.6	76.4	5.6	171.2	856.5	0.0	68.5	788.0
2013-14															
Sept 11	886.2	-0.8%	296.2	0.2	296.0	23.7	2.7	7.8	79.0	5.6	177.2	885.6	0.0	70.8	814.8
Jan 12	850.4	-0.8%	284.2	0.2	284.0	22.7	2.6	7.5	75.8	5.6	169.8	849.9	0.0	68.0	781.9
2014-15															
Sept 11	881.5	-0.5%	294.6	0.2	294.4	23.6	2.6	7.8	78.6	5.6	176.2	880.9	0.0	70.5	810.5
Jan 12	846.2	-0.5%	282.8	0.2	282.6	22.6	2.5	7.5	75.4	5.6	169.0	845.7	0.0	67.7	778.0
2015-16															
Sept 11	877.5	-0.4%	293.3	0.2	293.1	23.4	2.6	7.7	78.2	5.6	175.4	877.0	0.0	70.2	806.8
Jan 12	842.8	-0.4%	281.7	0.2	281.5	22.5	2.5	7.4	75.1	5.6	168.3	842.3	0.0	67.4	774.9

Tobacco Tax and Surcharge Conference
Other Tobacco Products Tax and Surcharge Forecast
Jan 06, 2012

	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	107.1	-6.2%	27.3	63.7	0	5.1	58.8
2011-12							
Sept 11	108.8	1.6%	27.2	65.3	0	5.2	60.1
Jan 12	108.0	0.8%	27.0	64.8	0	5.2	59.6
2012-13							
Sept 11	111.0	2.0%	27.8	66.6	0	5.3	61.3
Jan 12	109.3	1.2%	27.3	65.6	0	5.2	60.3
2013-14							
Sept 11	113.7	2.4%	28.4	68.2	0	5.5	62.8
Jan 12	111.2	1.7%	27.8	66.7	0	5.3	61.4
2014-15							
Sept 11	116.1	2.1%	29.0	69.7	0	5.6	64.1
Jan 12	113.0	1.6%	28.3	67.8	0	5.4	62.4
2015-16							
Sept 11	118.2	1.8%	29.6	70.9	0	5.7	65.2
Jan 12	114.7	1.5%	28.7	68.8	0	5.5	63.3

Monthly Tobacco Revenues 2011-12 Compared to September 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	25.6	24.1	23.1	25.1	11.0	35.0							143.9	33.48%	33.42%
Estimate	25.6	24.1	25.3	24.4	23.8	25.6	28.0	23.2	24.5	25.6	25.8	25.8	301.7		
Difference	0.0	0.0	-2.3	0.7	-12.8	9.3									
Cumulative	0.0	0.0	-2.2	-1.5	-14.3	-5.0									
Surcharge															
Actual	76.6	72.0	69.1	74.4	73.5	64.1							429.8		
Estimate	76.5	72.0	75.8	73.0	71.4	76.7	83.8	69.3	73.4	76.5	77.1	77.2	902.7		
Difference	0.1	0.0	-6.7	1.4	2.1	-12.7									
Cumulative	0.1	0.2	-6.5	-5.0	-2.9	-15.6									
Total															
Actual	102.2	96.2	92.2	99.5	84.5	99.1							573.7		
Estimate	102.1	96.1	101.1	97.4	95.2	102.4							594.2		
Difference	0.1	0.1	-8.9	2.1	-10.7	-3.3									
Cumulative	0.1	0.2	-8.7	-6.6	-17.2	-20.6									

-0.0519 estimate
-0.0775 last year

Other Tobacco Products	<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
Wholesale Tax															
Actual	2.2	2.1	2.3	2.0	2.3	2.1							13.1	41.47%	41.65%
Estimate	2.3	2.2	2.3	2.3	2.1	2.3	2.1	2.2	2.5	2.4	2.1	2.4	27.2		
Difference	-0.1	-0.1	0.0	-0.3	0.2	-0.1									
Cumulative	-0.1	-0.2	-0.2	-0.4	-0.2	-0.3									
Surcharge															
Actual	5.4	5.0	5.7	4.9	5.5	5.1							31.6		
Estimate	5.4	4.9	5.6	5.5	5.1	5.5	5.2	5.3	6.1	5.8	5.0	5.9	65.3		
Difference	0.0	0.1	0.1	-0.6	0.4	-0.3									
Cumulative	0.0	0.1	0.2	-0.4	0.0	-0.3									
Total															
Actual	7.7	7.1	8.0	6.9	7.8	7.3							44.7		
Estimate	7.7	7.1	7.9	7.8	7.3	7.7	7.3	7.5	8.6	8.2	7.1	8.4	92.5		
Difference	0.0	0.0	0.1	-0.9	0.6	-0.4									
Cumulative	0.0	-0.1	0.1	-0.8	-0.2	-0.7									

-0.0218 estimate
0.0379 last year