

**Revenue Estimating Conference
Tobacco Tax and Surcharge
Executive Summary
February 19, 2013**

The Revenue Estimating Conference met concerning Tobacco Tax and Surcharge revenues on February 19, 2013. Based on recent trends in collections relative to the July 2012 forecast, the Conference slightly increased the Cigarette Tax and Surcharge forecast and increased the forecast for Other Tobacco Products (OTP) Tax and Surcharge. The table below summarizes the changes in collections and distributions since the November 2012 forecast.

**Tobacco Tax and Surcharge Conference
Comparison of the November 2012 and February 2013 Forecasts**

COLLECTIONS							
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Cigarette Tax							
November 2012	287.9	284.9	282.6	281.1	280.0	278.6	277.0
February 2013	287.9	286.9	284.6	283.2	282.1	280.6	279.0
Difference	0.0	2.0	2.0	2.1	2.1	2.0	2.0
Cigarette Surcharge							
November 2012	859.5	852.4	845.7	841.2	837.9	833.6	828.9
February 2013	859.5	858.5	851.6	847.4	844.0	839.8	834.7
Difference	0.0	6.1	5.9	6.2	6.1	6.2	5.8
OTP Tax							
November 2012	28.0	27.9	28.4	28.9	29.3	29.7	30.2
February 2013	28.0	29.2	29.8	30.3	30.8	31.2	31.7
Difference	0.0	1.3	1.4	1.4	1.5	1.5	1.5
OTP Surcharge							
November 2012	65.6	67.0	68.1	69.2	70.4	71.3	72.4
February 2013	65.6	70.2	71.4	72.6	73.8	74.9	76.0
Difference	0.0	3.2	3.3	3.4	3.4	3.6	3.6
DISTRIBUTIONS							
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Health Care Trust Fund							
November 2012	852.7	845.9	840.7	837.6	835.6	832.5	829.2
February 2013	852.7	854.4	849.2	846.4	844.3	841.5	837.8
Difference	0.0	8.5	8.5	8.8	8.7	9.0	8.6
General Revenue Service Charge							
November 2012	97.2	96.3	95.7	95.3	95.1	94.7	94.3
February 2013	97.2	97.2	96.6	96.3	96.0	95.6	95.2
Difference	0.0	0.9	0.9	1.0	0.9	0.9	0.9
General Revenue Excise Tax							
November 2012	171.8	170.2	161.3	160.4	159.8	158.9	157.9
February 2013	171.8	171.4	162.6	161.7	161.0	160.1	159.1
Difference	0.0	1.2	1.3	1.3	1.2	1.2	1.2
OTP General Revenue Tax							
November 2012	28.0	27.9	28.4	28.9	29.3	29.7	30.2
February 2013	28.0	29.2	29.8	30.3	30.8	31.2	31.7
Difference	0.0	1.3	1.4	1.4	1.5	1.5	1.5
Total GR Distributions							
November 2012	296.9	294.4	285.4	284.6	284.2	283.3	282.3
February 2013	296.9	297.9	288.9	288.2	287.7	287.0	285.9
Difference	0.0	3.5	3.5	3.6	3.5	3.7	3.6
All Other Funds							
November 2012	92.7	91.9	98.7	98.2	97.9	97.4	96.9
February 2013	92.7	92.5	99.3	98.8	98.5	98.1	97.5
Difference	0.0	0.6	0.6	0.6	0.6	0.7	0.6

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Tobacco Tax and Surcharge Conference
Cigarette Tax and Surcharge Forecast
Feb 2013

			Cigarette Tax										Cigarette Surcharge			
	Packs (calculated)	% Change	Cigarette Tax	Refunds	Net Tax	GR Service Charge	AB&T Trust Fund	County Rev Sharing	PMATF	Moffitt Center	Biomedical Research TF	General Revenue	Cigarette Surcharge	Floor Tax	GR Service Charge	Health Care Trust Fund
2002-03	1,245.1	-1.6%	416.1	5.0	411.1	30.0	3.7	11.1	110.6	11.2	0.0	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	0.0	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	0.0	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	0.0	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	0.0	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	0.0	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	0.0	250.4				
2009-10	959.7	-23.4%	300.8	0.3	300.5	23.6	2.7	8.0	80.3	5.7	0.0	180.2	856.1	97.5	76.3	872.0
2010-11	920.3	-4.1%	303.7	0.4	303.3	24.5	2.8	8.2	82.9	5.6	0.0	186.2	924.2	0.0	74.5	853.0
2011-12	860.1	-6.5%	288.1	0.2	287.9	23.1	2.6	7.6	76.8	5.8	0.0	171.8	859.5	0.0	68.8	792.3
2012-13																
Nov 2012	853.0	-0.83%	285.1	0.2	284.9	22.8	2.6	7.5	76.0	5.8	0.0	170.2	852.4	0.0	68.2	784.2
Feb 2013	859.1	-0.12%	287.1	0.2	286.9	23.0	2.6	7.6	76.6	5.8	0.0	171.4	858.5	0.0	68.7	789.8
2013-14																
Nov 2012	846.3	-0.79%	282.8	0.2	282.6	22.6	2.5	7.5	75.4	10.6	2.6	161.3	845.7	0.0	67.7	778.0
Feb 2013	852.2	-0.80%	284.8	0.2	284.6	22.8	2.6	7.5	76.0	10.6	2.6	162.6	851.6	0.0	68.1	783.5
2014-15																
Nov 2012	841.8	-0.53%	281.3	0.2	281.1	22.5	2.5	7.4	75.0	10.6	2.6	160.4	841.2	0.0	67.3	773.9
Feb 2013	848.0	-0.50%	283.4	0.2	283.2	22.7	2.5	7.5	75.6	10.6	2.6	161.7	847.4	0.0	67.8	779.6
2015-16																
Nov 2012	838.5	-0.39%	280.2	0.2	280.0	22.4	2.5	7.4	74.7	10.6	2.6	159.8	837.9	0.0	67.0	770.9
Feb 2013	844.6	-0.40%	282.3	0.2	282.1	22.6	2.5	7.5	75.3	10.6	2.6	161.0	844.0	0.0	67.5	776.4
2016-17																
Nov 2012	834.2	-0.52%	278.8	0.2	278.6	22.3	2.5	7.4	74.4	10.6	2.5	158.9	833.6	0.0	66.7	766.9
Feb 2013	840.4	-0.50%	280.8	0.2	280.6	22.5	2.5	7.4	74.9	10.6	2.6	160.1	839.8	0.0	67.2	772.6
2017-18																
Nov 2012	829.5	-0.56%	277.2	0.2	277.0	22.2	2.5	7.3	73.9	10.6	2.5	157.9	828.9	0.0	66.3	762.6
Feb 2013	835.3	-0.60%	279.2	0.2	279.0	22.3	2.5	7.4	74.5	10.6	2.5	159.1	834.7	0.0	66.8	767.9

Tobacco Tax and Surcharge Conference
Other Tobacco Products Tax and Surcharge Forecast
Feb 2013

	Wholesale Volume (calculated)	% Change	Other Tobacco Products Tax to GR	Other Tobacco Products Surcharge			
				Surcharge	Floor Tax	GR Service Charge	Health Care Trust Fund
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	5.5%	27.3	63.7	0	5.1	58.8
2011-12	110.1	2.8%	28.0	65.6	0	5.3	60.3
2012-13							
Nov 2012	111.7	1.5%	27.9	67.0	0	5.4	61.7
Feb 2013	116.9	6.3%	29.2	70.2	0	5.6	64.6
2013-14							
Nov 2012	113.5	1.6%	28.4	68.1	0	5.4	62.7
Feb 2013	119.0	1.8%	29.8	71.4	0	5.7	65.7
2014-15							
Nov 2012	115.4	1.7%	28.9	69.2	0	5.5	63.7
Feb 2013	121.1	1.7%	30.3	72.6	0	5.8	66.8
2015-16							
Nov 2012	117.3	1.6%	29.3	70.4	0	5.6	64.7
Feb 2013	123.0	1.6%	30.8	73.8	0	5.9	67.9
2016-17							
Nov 2012	118.9	1.4%	29.7	71.3	0	5.7	65.6
Feb 2013	124.9	1.5%	31.2	74.9	0	6.0	68.9
2017-18							
Nov 2012	120.6	1.4%	30.2	72.4	0	5.8	66.6
Feb 2013	126.6	1.4%	31.7	76.0	0	6.1	69.9

Monthly Tobacco Revenues 2012-13 Compared to November 2012 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	26.4	22.9	23.9	22.4	25.8	22.2	31.5						175.0	33.87%	33.42%
Estimate	26.4	22.9	23.9	22.4	22.0	23.4	27.1	21.4	23.6	22.9	24.3	24.6	284.9		
Difference	0.0	0.0	0.0	0.0	3.8	-1.2	4.4								
Cumulative	0.0	0.0	0.0	0.0	3.8	2.6	6.9								
Surcharge															
Actual	78.7	67.0	70.5	64.4	74.7	67.0	94.4						516.6		
Estimate	78.7	67.0	70.5	64.4	66.6	70.7	81.7	64.7	71.3	69.2	73.4	74.2	852.4		
Difference	0.0	0.0	0.0	0.0	8.1	-3.7	12.6								
Cumulative	0.0	0.0	0.0	0.0	8.1	4.4	17.0								
Total															
Actual	105.0	89.8	94.5	86.8	100.5	89.2	125.8						691.6		
Estimate	105.0	89.8	94.5	86.8	88.6	94.1	108.8	86.1	94.9	92.1	97.7	98.8	1,137.3		
Difference	0.0	0.0	0.0	0.0	11.9	-5.0	17.0								
Cumulative	0.0	0.0	0.0	0.0	11.9	7.0	23.9								

2.1% estimate
0.1% 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	2.3	2.3	2.2	2.2	2.5	2.8	3.3						17.5	41.60%	41.64%
Estimate	2.3	2.3	2.2	2.2	2.3	2.3	2.0	2.3	2.7	2.5	2.3	2.6	27.9		
Difference	0.0	0.0	0.0	0.0	0.2	0.5	1.2								
Cumulative	0.0	0.0	0.0	0.0	0.2	0.7	1.9								
Surcharge															
Actual	5.5	5.4	5.3	5.3	5.8	6.7	8.0						42.0		
Estimate	5.5	5.4	5.3	5.3	5.5	5.6	4.8	5.6	6.4	6.0	5.5	6.1	67.0		
Difference	0.0	0.0	0.0	0.0	0.4	1.1	3.2								
Cumulative	0.0	0.0	0.0	0.0	0.4	1.5	4.6								
Total															
Actual	7.8	7.6	7.5	7.5	8.3	9.5	11.3						59.4		
Estimate	7.8	7.6	7.5	7.5	7.7	7.9	6.8	7.9	9.1	8.5	7.8	8.7	94.9		
Difference	0.0	0.0	0.0	0.0	0.6	1.6	4.4								
Cumulative	0.0	0.0	0.0	0.0	0.6	2.1	6.6								

6.9% estimate
14.9% last year