

Revenue Estimating Conference for Tobacco Settlement Payments
January 10, 2022
Executive Summary

The Revenue Estimating Conference met on January 10, 2022, to adopt a new forecast of Tobacco Settlement payments for the 2021-22 through 2032-33 fiscal years.

Tobacco settlement payments accrue to the state from a formal settlement agreement entered on August 25, 1997, in response to a lawsuit between the State of Florida and several major tobacco companies. An annual payment is due by December 31 of each year, and a profit adjustment payment is made following the end of each participating company's fiscal year. Both payments continue in perpetuity.

The annual December 2021 payment totaled \$348.2 million. After the final adjustments were made, the payments from the original settling manufacturers were a combined -\$1.9 less than previously forecast, but the final payments equaled the billings sent out earlier in December.

For estimated total liability, the new forecast was adjusted based on the National Economic Estimating Conference results from December 10, 2021. This allowed an updated Consumer Price Index series to be used in the calculation beginning in FY 2021-22.

Other adjustments to the forecast since the July 2021 Conference include the annual percent change in U.S. Cigarette Volume beginning in FY 2021-22. The growth rate was revised to -5.0% in the first year of the forecast instead of the -2.0% growth rate in the prior forecast. The Conference retained the out year growth rates adopted at the previous Conference beginning in FY 2024-25. Even though the main driver used for the profit adjustment remained unchanged since the last conference, the cumulative effect of the other changes resulted in reducing the forecast by -\$4.8 million for FY 2021-22 and -\$8.1 million in FY 2022-23.

The table below shows the new estimated amounts of settlement payments to the State of Florida and the change from the previous forecast.

**Tobacco Settlement Payments to Florida for Outlook Purposes
Old vs. New Forecast of Total Payments (\$ Millions)**

	Prior Forecast (July 2021)	January 2022 Expected Payments Forecast with Liggett	Difference
FY 1997-98			
FY 1998-99			
FY 1999-00			
FY 2000-01			
FY 2001-02			
FY 2002-03			
FY 2003-04			
FY 2004-05			
FY 2005-06			
FY 2006-07			
FY 2007-08			
FY 2008-09			
FY 2009-10			
FY 2010-11			
FY 2011-12			
FY 2012-13			
FY 2013-14			
FY 2014-15			
FY 2015-16			
FY 2016-17			
FY 2017-18			
FY 2018-19			
FY 2019-20			
FY 2020-21	402.6	402.6	0.0
FY 2021-22	418.6	413.8	-4.8
FY 2022-23	434.3	426.2	-8.1
FY 2023-24	451.3	442.5	-8.8
FY 2024-25	468.5	459.5	-9.0
FY 2025-26	485.9	476.8	-9.1
FY 2026-27	503.1	493.9	-9.2
FY 2027-28	520.1	510.6	-9.5
FY 2028-29	536.7	527.0	-9.7
FY 2029-30	552.7	542.9	-9.8
FY 2030-31	569.0	559.0	-10.0
FY 2031-32	585.7	575.4	-10.3
FY 2032-33	603.6	593.1	-10.5

TOBACCO SETTLEMENT PAYMENTS FORECAST

January 10, 2022

Tobacco Settlement Payments to Florida
Calculation of Inflation Adjustment to Annual Settlement Payment

		December		Annual Payment		
		Consumer Price	Percent Change	Settlement	Settlement	Inflation
		Index	(Inflation)	Inflation Factor	Inflation Index	Adjustment
CY 1997	FY 1997-98	161.300			100.00000	1.0000
CY 1998	FY 1998-99	163.900	1.61190%	3.00000%	100.00000	1.0000
CY 1999	FY 1999-00	168.300	2.68456%	3.00000%	103.00000	1.0300
CY 2000	FY 2000-01	174.000	3.38681%	3.38681%	106.48841	1.0649
CY 2001	FY 2001-02	176.700	1.55172%	3.00000%	109.68306	1.0968
CY 2002	FY 2002-03	180.900	2.37691%	3.00000%	112.97355	1.1297
CY 2003	FY 2003-04	184.300	1.87949%	3.00000%	116.36276	1.1636
CY 2004	FY 2004-05	190.300	3.25556%	3.25556%	120.15102	1.2015
CY 2005	FY 2005-06	196.800	3.41566%	3.41566%	124.25497	1.2425
CY 2006	FY 2006-07	201.800	2.54065%	3.00000%	127.98262	1.2798
CY 2007	FY 2007-08	210.036	4.08127%	4.08127%	133.20593	1.3321
CY 2008	FY 2008-09	210.228	0.09141%	3.00000%	137.20211	1.3720
CY 2009	FY 2009-10	215.949	2.72133%	3.00000%	141.31817	1.4132
CY 2010	FY 2010-11	219.179	1.49572%	3.00000%	145.55772	1.4556
CY 2011	FY 2011-12	225.672	2.96242%	3.00000%	149.92445	1.4992
CY 2012	FY 2012-13	229.601	1.74102%	3.00000%	154.42218	1.5442
CY 2013	FY 2013-14	233.049	1.50174%	3.00000%	159.05485	1.5905
CY 2014	FY 2014-15	234.812	0.75649%	3.00000%	163.82650	1.6383
CY 2015	FY 2015-16	236.525	0.72952%	3.00000%	168.74130	1.6874
CY 2016	FY 2016-17	241.432	2.07462%	3.00000%	173.80354	1.7380
CY 2017	FY 2017-18	246.524	2.10908%	3.00000%	179.01765	1.7902
CY 2018	FY 2018-19	251.233	1.91016%	3.00000%	184.38818	1.8439
CY 2019	FY 2019-20	256.974	2.28513%	3.00000%	189.91983	1.8992
CY 2020	FY 2020-21	260.474	1.36201%	3.00000%	195.61742	1.9562
CY 2021	FY 2021-22	277.948	6.70854%	6.70854%	208.74049	2.0874
CY 2022	FY 2022-23	283.6	2.019%	3.000%	215.003	2.1500
CY 2023	FY 2023-24	289.9	2.224%	3.000%	221.453	2.2145
CY 2024	FY 2024-25	295.8	2.039%	3.000%	228.096	2.2810
CY 2025	FY 2025-26	302.1	2.149%	3.000%	234.939	2.3494
CY 2026	FY 2026-27	308.9	2.257%	3.000%	241.987	2.4199
CY 2027	FY 2027-28	316.3	2.384%	3.000%	249.247	2.4925
CY 2028	FY 2028-29	324.0	2.434%	3.000%	256.724	2.5672
CY 2029	FY 2029-30	331.8	2.390%	3.000%	264.426	2.6443
CY 2030	FY 2030-31	339.5	2.348%	3.000%	272.359	2.7236
CY 2031	FY 2031-32	347.3	2.289%	3.000%	280.530	2.8053
CY 2032	FY 2032-33	355.3	2.289%	3.000%	288.946	2.8895

**Tobacco Settlement Payments to Florida
Calculation of Volume Ratio**

		TOTAL DOMESTIC CIGARETTE UNITS SOLD (Billions)	Percent Change	Prior Forecast	Change	Florida Definition Volume as share of U.S. volume	Florida Definition Volume (Billions)	Percent Change	Volume Ratio
CY 1997	FY 1997-98						471.248		1.000000
CY 1998	FY 1998-99						449.288	-4.66%	0.9534
CY 1999	FY 1999-00						404.252	-10.02%	0.8578
CY 2000	FY 2000-01						397.858	-1.58%	0.8443
CY 2001	FY 2001-02	398.3				95.37%	379.860	-4.52%	0.8061
CY 2002	FY 2002-03	376.4	-5.50%			96.00%	361.335	-4.88%	0.7668
CY 2003	FY 2003-04	360.5	-4.22%			94.48%	340.603	-5.74%	0.7228
CY 2004	FY 2004-05	361.3	0.22%			92.78%	335.232	-1.58%	0.7114
CY 2005	FY 2005-06	351.6	-2.68%			93.34%	328.173	-2.11%	0.6964
CY 2006	FY 2006-07	343.3	-2.36%			94.20%	323.395	-1.46%	0.6863
CY 2007	FY 2007-08	337.7	-1.63%			91.41%	308.676	-4.55%	0.6550
CY 2008	FY 2008-09	320.0	-5.24%			92.51%	296.025	-4.10%	0.6282
CY 2009	FY 2009-10	290.6	-9.19%			92.21%	267.969	-9.48%	0.5686
CY 2010	FY 2010-11	282.9	-2.65%			90.45%	255.883	-4.51%	0.5430
CY 2011	FY 2011-12	274.4	-3.00%			90.44%	248.162	-3.02%	0.5266
CY 2012	FY 2012-13	268.4	-2.19%			90.64%	243.277	-1.97%	0.5162
CY 2013	FY 2013-14	255.2	-4.92%			91.74%	234.108	-3.77%	0.4968
CY 2014	FY 2014-15	254.7	-0.20%			88.30%	224.895	-3.94%	0.4772
CY 2015	FY 2015-16	244.2	-4.12%			91.94%	224.521	-0.17%	0.4764
CY 2016	FY 2016-17	240.5	-1.52%			91.23%	219.402	-2.28%	0.4656
CY 2017	FY 2017-18	229.1	-4.74%			90.93%	208.323	-5.05%	0.4421
CY 2018	FY 2018-19	216.9	-5.33%			90.40%	196.080	-5.88%	0.4161
CY 2019	FY 2019-20	202.9	-6.45%			89.81%	182.222	-7.07%	0.3867
CY 2020	FY 2020-21	203.7	0.39%			89.39%	182.094	-0.07%	0.3864
CY 2021	FY 2021-22	193.5	-5.00%	-2.00%	-3.00%	89.25%	172.704	-5.16%	0.3665
CY 2022	FY 2022-23	188.4	-2.65%	-1.66%	-0.99%	89.25%	168.127	-2.65%	0.3568
CY 2023	FY 2023-24	185.1	-1.75%	-1.62%	-0.13%	89.25%	165.185	-1.75%	0.3505
CY 2024	FY 2024-25	182.1	-1.63%	-1.63%	0.00%	89.25%	162.492	-1.63%	0.3448
CY 2025	FY 2025-26	179.1	-1.61%	-1.61%	0.00%	89.25%	159.876	-1.61%	0.3393
CY 2026	FY 2026-27	176.3	-1.58%	-1.58%	0.00%	89.25%	157.350	-1.58%	0.3339
CY 2027	FY 2027-28	173.5	-1.58%	-1.58%	0.00%	89.25%	154.864	-1.58%	0.3286
CY 2028	FY 2028-29	170.8	-1.56%	-1.56%	0.00%	89.25%	152.448	-1.56%	0.3235
CY 2029	FY 2029-30	168.2	-1.53%	-1.53%	0.00%	89.25%	150.116	-1.53%	0.3185
CY 2030	FY 2030-31	165.7	-1.50%	-1.50%	0.00%	89.25%	147.864	-1.50%	0.3138
CY 2031	FY 2031-32	163.3	-1.45%	-1.45%	0.00%	89.25%	145.720	-1.45%	0.3092
CY 2032	FY 2032-33	160.9	-1.44%	-1.44%	0.00%	89.25%	143.621	-1.44%	0.3048

Tobacco Settlement Payments to Florida
Calculation of Volume Adjustment to Annual Settlement Payment

		Volume Ratio	Volume Adjustment (1 - vol. ratio)	Youth Adjustment (volume adj. X .98)	Annual Payment Volume Adjustment (1 - youth adj.)
CY 1997	FY 1997-98	1.0000			
CY 1998	FY 1998-99	0.9534			
CY 1999	FY 1999-00	0.8578	0.1422	0.1393	0.8607
CY 2000	FY 2000-01	0.8443	0.1557	0.1526	0.8474
CY 2001	FY 2001-02	0.8061	0.1939	0.1900	0.8100
CY 2002	FY 2002-03	0.7668	0.2332	0.2286	0.7714
CY 2003	FY 2003-04	0.7228	0.2772	0.2717	0.7283
CY 2004	FY 2004-05	0.7114	0.2886	0.2829	0.7171
CY 2005	FY 2005-06	0.6964	0.3036	0.2975	0.7025
CY 2006	FY 2006-07	0.6863	0.3137	0.3075	0.6925
CY 2007	FY 2007-08	0.6550	0.3450	0.3381	0.6619
CY 2008	FY 2008-09	0.6282	0.3718	0.3644	0.6356
CY 2009	FY 2009-10	0.5686	0.4314	0.4227	0.5773
CY 2010	FY 2010-11	0.5430	0.4570	0.4479	0.5521
CY 2011	FY 2011-12	0.5266	0.4734	0.4639	0.5361
CY 2012	FY 2012-13	0.5162	0.4838	0.4741	0.5259
CY 2013	FY 2013-14	0.4968	0.5032	0.4932	0.5068
CY 2014	FY 2014-15	0.4772	0.5228	0.5123	0.4877
CY 2015	FY 2015-16	0.4764	0.5236	0.5131	0.4869
CY 2016	FY 2016-17	0.4656	0.5344	0.5237	0.4763
CY 2017	FY 2017-18	0.4421	0.5579	0.5468	0.4532
CY 2018	FY 2018-19	0.4161	0.5839	0.5722	0.4278
CY 2019	FY 2019-20	0.3867	0.6133	0.6011	0.3989
CY 2020	FY 2020-21	0.3864	0.6136	0.6013	0.3987
CY 2021	FY 2021-22	0.3665	0.6335	0.6208	0.3792
CY 2022	FY 2022-23	0.3568	0.6432	0.6304	0.3696
CY 2023	FY 2023-24	0.3505	0.6495	0.6365	0.3635
CY 2024	FY 2024-25	0.3448	0.6552	0.6421	0.3579
CY 2025	FY 2025-26	0.3393	0.6607	0.6475	0.3525
CY 2026	FY 2026-27	0.3339	0.6661	0.6528	0.3472
CY 2027	FY 2027-28	0.3286	0.6714	0.6579	0.3421
CY 2028	FY 2028-29	0.3235	0.6765	0.6630	0.3370
CY 2029	FY 2029-30	0.3185	0.6815	0.6678	0.3322
CY 2030	FY 2030-31	0.3138	0.6862	0.6725	0.3275
CY 2031	FY 2031-32	0.3092	0.6908	0.6770	0.3230
CY 2032	FY 2032-33	0.3048	0.6952	0.6813	0.3187

Tobacco Settlement Payments to Florida
Calculation of Annual Settlement Liability Schedule after Adjustments

		Settlement Agreement Annual Payment (\$ Millions)	Annual Payment Inflation Adjustment	Annual Payment Volume Adjustment	Adjusted Settlement Liability (\$ Millions)
CY 1997	FY 1997-98	750.0	<i>n/a</i>	<i>n/a</i>	750.0
CY 1998	FY 1998-99	343.5	<i>n/a</i>	<i>n/a</i>	343.5
CY 1999	FY 1999-00	712.1	1.0300	0.8607	631.3
CY 2000	FY 2000-01	739.6	1.0649	0.8474	667.4
CY 2001	FY 2001-02	822.1	1.0968	0.8100	730.3
CY 2002	FY 2002-03	590.3	1.1297	0.7714	514.5
CY 2003	FY 2003-04	440.0	1.1636	0.7283	372.9
CY 2004	FY 2004-05	440.0	1.2015	0.7171	379.1
CY 2005	FY 2005-06	440.0	1.2425	0.7025	384.1
CY 2006	FY 2006-07	440.0	1.2798	0.6925	390.0
CY 2007	FY 2007-08	440.0	1.3321	0.6619	388.0
CY 2008	FY 2008-09	440.0	1.3720	0.6356	383.7
CY 2009	FY 2009-10	440.0	1.4132	0.5773	358.9
CY 2010	FY 2010-11	440.0	1.4556	0.5521	353.6
CY 2011	FY 2011-12	440.0	1.4992	0.5361	353.6
CY 2012	FY 2012-13	440.0	1.5442	0.5259	357.3
CY 2013	FY 2013-14	440.0	1.5905	0.5068	354.7
CY 2014	FY 2014-15	440.0	1.6383	0.4877	351.5
CY 2015	FY 2015-16	440.0	1.6874	0.4869	361.5
CY 2016	FY 2016-17	440.0	1.7380	0.4763	364.2
CY 2017	FY 2017-18	440.0	1.7902	0.4532	357.0
CY 2018	FY 2018-19	440.0	1.8439	0.4278	347.0
CY 2019	FY 2019-20	440.0	1.8992	0.3989	333.4
CY 2020	FY 2020-21	440.0	1.9562	0.3987	343.1
CY 2021	FY 2021-22	440.0	2.0874	0.3792	348.2
CY 2022	FY 2022-23	440.0	2.1500	0.3696	349.7
CY 2023	FY 2023-24	440.0	2.2145	0.3635	354.2
CY 2024	FY 2024-25	440.0	2.2810	0.3579	359.2
CY 2025	FY 2025-26	440.0	2.3494	0.3525	364.4
CY 2026	FY 2026-27	440.0	2.4199	0.3472	369.7
CY 2027	FY 2027-28	440.0	2.4925	0.3421	375.1
CY 2028	FY 2028-29	440.0	2.5672	0.3370	380.7
CY 2029	FY 2029-30	440.0	2.6443	0.3322	386.5
CY 2030	FY 2030-31	440.0	2.7236	0.3275	392.5
CY 2031	FY 2031-32	440.0	2.8053	0.3230	398.7
CY 2032	FY 2032-33	440.0	2.8895	0.3187	405.1

Tobacco Settlement Payments to Florida
Calculation of Net Operating Profit Adjustment Liability

		A	B	C	D	E	F	G	H
				Original Inflation Adjusted Net Operating Base Profits (\$ Millions)	Recalculated Tax- Adjusted Net Operating Base Profits (\$ Millions)	Actual Net Operating Profits (\$ Millions)	Percent Change	Difference in profit from adjusted base (\$ Millions)	Florida Profit Adjustment Liability (5.5% of 25%) (\$ Millions)
	Settlement Inflation Factor		Base Profit Inflation Adjustment						
CY 1997	FY 1997-98	0.000%	1.0000	3,114.6	3,835.0				
CY 1998	FY 1998-99	3.000%	1.0300	3,208.0	3,950.0				
CY 1999	FY 1999-00	3.000%	1.0609	3,304.3	4,068.5	4,667.3		1,363.0	18.7
CY 2000	FY 2000-01	3.387%	1.0968	3,416.2	4,206.3	4,898.1	4.9%	1,481.9	20.4
CY 2001	FY 2001-02	3.000%	1.1297	3,518.7	4,332.5	4,885.2	-0.3%	1,366.5	18.8
CY 2002	FY 2002-03	3.000%	1.1636	3,624.2	4,462.5	4,530.6	-7.3%	906.4	12.5
CY 2003	FY 2003-04	3.000%	1.1985	3,733.0	4,596.4	854.7	-81.1%	-2,878.3	0.0
CY 2004	FY 2004-05	3.256%	1.2376	3,854.5	4,746.0	3,783.6	342.7%	-70.9	0.0
CY 2005	FY 2005-06	3.416%	1.2798	3,986.1	4,908.1	4,306.2	13.8%	320.1	4.4
CY 2006	FY 2006-07	3.000%	1.3182	4,105.7	5,055.4	4,665.4	8.3%	559.7	7.7
CY 2007	FY 2007-08	4.081%	1.3720	4,273.3	5,261.7	4,727.3	1.3%	454.0	6.2
CY 2008	FY 2008-09	3.000%	1.4132	4,401.5	5,419.5	4,938.5	4.5%	537.0	7.4
CY 2009	FY 2009-10	3.000%	1.4556	4,533.5	5,582.1	5,161.2	4.5%	627.7	8.6
CY 2010	FY 2010-11	3.000%	1.4992	4,669.5	5,749.6	5,465.0	5.9%	795.5	10.8
CY 2011	FY 2011-12	3.000%	1.5442	4,809.6	5,922.1	5,610.8	2.7%	801.2	11.0
CY 2012	FY 2012-13	3.000%	1.5905	4,953.9	6,099.7	5,722.9	2.0%	769.0	10.6
CY 2013	FY 2013-14	3.000%	1.6383	5,102.5	6,282.7	6,806.1	18.9%	1,703.6	23.4
CY 2014	FY 2014-15	3.000%	1.6874	5,255.6	6,471.2	6,489.8	-4.6%	1,234.2	17.0
CY 2015	FY 2015-16	3.000%	1.7380	5,413.3	6,665.3	7,349.5	13.2%	1,936.2	26.6
CY 2016	FY 2016-17	3.000%	1.7902	5,575.7	6,865.3	7,884.7	7.3%	2,309.0	31.7
CY 2017	FY 2017-18	3.000%	1.8439	5,742.9	7,071.3	8,124.9	3.0%	2,382.0	32.8
CY 2018	FY 2018-19	3.000%	1.8992	5,915.2	7,283.4	10,162.2	25.1%	2,878.8	39.6
CY 2019	FY 2019-20	3.000%	1.9562	6,092.7	7,501.9	10,936.4	7.6%	3,434.5	47.2
CY 2020	FY 2020-21	3.000%	2.0149	7,727.0	7,727.0	12,036.2	10.1%	4,309.2	59.3
CY 2021	FY 2021-22	6.709%	2.1500		8,245.3	12,995.6	8.0%	4,750.3	65.3
CY 2022	FY 2022-23	3.000%	2.2145		8,492.7	14,031.5	8.0%	5,538.8	76.2
CY 2023	FY 2023-24	3.000%	2.2810		8,747.5	15,150.0	8.0%	6,402.5	88.0
CY 2024	FY 2024-25	3.000%	2.3494		9,009.9	16,286.2	7.5%	7,276.3	100.0
CY 2025	FY 2025-26	3.000%	2.4199		9,280.2	17,426.3	7.0%	8,146.1	112.0
CY 2026	FY 2026-27	3.000%	2.4925		9,558.6	18,559.0	6.5%	9,000.4	123.8
CY 2027	FY 2027-28	3.000%	2.5672		9,845.4	19,672.5	6.0%	9,827.2	135.1
CY 2028	FY 2028-29	3.000%	2.6443		10,140.7	20,754.5	5.5%	10,613.8	145.9
CY 2029	FY 2029-30	3.000%	2.7236		10,444.9	21,792.2	5.0%	11,347.3	156.0
CY 2030	FY 2030-31	3.000%	2.8053		10,758.3	22,838.3	4.8%	12,080.0	166.1
CY 2031	FY 2031-32	3.000%	2.8895		11,081.0	23,934.5	4.8%	12,853.5	176.7
CY 2032	FY 2032-33	3.000%	2.9761		11,413.5	25,083.4	4.8%	13,669.9	188.0

**Tobacco Settlement Payments to Florida
Combined Payment Liability (\$ Millions)**

	Calculated Annual Payment Liability	Adjustments for over/under Payments & Interest	Estimated Annual Payment Liability	Calculated Florida Profit Adjustment Liability	Adjustments for Uncalculated Adjustments	Profit Plus Adjustments to Calculate Owed Amt	Liggett Settlement Agreement	Estimated Combined Payments Liability
FY 1997-98	750.0	0.0	750.0					750.0
FY 1998-99	343.5	0.0	343.5					343.5
FY 1999-00	631.3	0.0	631.3	37.4	3.3	40.7		672.0
FY 2000-01	667.4	0.0	667.4	40.8	0.0	40.8		708.2
FY 2001-02	730.3	-5.6	724.7	37.6	0.0	37.6		762.3
FY 2002-03	514.5	-3.7	510.8	25.0	-3.0	22.0		532.8
FY 2003-04	372.9	-11.5	361.4	0.0	0.0	0.0		361.4
FY 2004-05	379.1	-2.5	376.6	0.0	0.0	0.0		376.6
FY 2005-06	384.1	-1.8	382.3	4.4	-0.7	3.7		386.0
FY 2005-07	390.0	-3.3	386.7	7.7	-0.2	7.5		394.2
FY 2007-08	388.0	-1.5	386.5	6.2	-0.1	6.1		392.6
FY 2008-09	383.7	-5.9	377.8	7.4	0.0	7.4		385.2
FY 2009-10	358.9	-3.8	355.1	8.6	0.0	8.6		363.7
FY 2010-11	353.6	-2.5	351.1	10.8	-0.1	10.7	1.5	363.3
FY 2011-12	353.6	-10.5	343.1	11.0	2.3	13.3	0.3	356.7
FY 2012-13	357.3	-1.8	355.5	10.6	-0.2	10.4	0.3	366.2
FY 2013-14	354.7	-0.2	354.5	23.4	-1.8	21.6	0.3	376.4
FY 2014-15	351.5	-1.7	349.8	17.0	-0.8	16.2	0.3	366.3
FY 2015-16*	361.5	0.0	361.5	26.6	0.0	26.6	0.3	388.4
FY 2016-17*	364.2	0.0	364.2	31.7	0.0	31.7	0.3	396.2
FY 2017-18*	357.0	0.0	357.0	32.8	0.0	32.8	0.3	390.1
FY 2018-19*	347.0	0.0	347.0	39.6	-4.9	34.7	0.3	382.0
FY 2019-20*	333.4	0.0	333.4	47.2	18.5	65.7	0.3	399.4
FY 2020-21	343.1	0.0	343.1	59.3	-0.1	59.2	0.3	402.6
FY 2021-22	348.2	0.0	348.2	65.3	0.0	65.3	0.3	413.8
FY 2022-23	349.7	0.0	349.7	76.2	0.0	76.2	0.3	426.2
FY 2023-24	354.2	0.0	354.2	88.0	0.0	88.0	0.3	442.5
FY 2024-25	359.2	0.0	359.2	100.0	0.0	100.0	0.3	459.5
FY 2025-26	364.4	0.0	364.4	112.0	0.0	112.0	0.4	476.8
FY 2026-27	369.7	0.0	369.7	123.8	0.0	123.8	0.4	493.9
FY 2027-28	375.1	0.0	375.1	135.1	0.0	135.1	0.4	510.6
FY 2028-29	380.7	0.0	380.7	145.9	0.0	145.9	0.4	527.0
FY 2029-30	386.5	0.0	386.5	156.0	0.0	156.0	0.4	542.9
FY 2030-31	392.5	0.0	392.5	166.1	0.0	166.1	0.4	559.0
FY 2031-32	398.7	0.0	398.7	176.7	0.0	176.7		575.4
FY 2032-33	405.1	0.0	405.1	188.0	0.0	188.0		593.1

*Modified by Settlement Agreement

**Tobacco Settlement Payments to Florida for Outlook Purposes
Old vs. New Forecast of Total Payments (\$ Millions)**

	Estimated Combined Payments Liability (minus Liggett)	Percent Received	Expected Payments from Original Settling Manufacturers	Payment Difference from Liability (annual loss)	January 2022 Expected Payments Forecast with Liggett
FY 1997-98	750.0				
FY 1998-99	343.5				
FY 1999-00	672.0				
FY 2000-01	708.2				
FY 2001-02	762.3				
FY 2002-03	532.8				
FY 2003-04	361.4				
FY 2004-05	376.6				
FY 2005-06	386.0				
FY 2006-07	394.2				
FY 2007-08	392.6				
FY 2008-09	385.2				
FY 2009-10	363.7				
FY 2010-11	361.8				
FY 2011-12	356.4				
FY 2012-13	365.9				
FY 2013-14	376.1				
FY 2014-15	366.0				
FY 2015-16	388.1				
FY 2016-17	395.9				
FY 2017-18	389.8				
FY 2018-19	381.7				
FY 2019-20*	399.1				
FY 2020-21	402.3	100.0%	402.3	0.0	402.6
FY 2021-22	413.5	100.0%	413.5	0.0	413.8
FY 2022-23	425.9	100.0%	425.9	0.0	426.2
FY 2023-24	442.2	100.0%	442.2	0.0	442.5
FY 2024-25	459.2	100.0%	459.2	0.0	459.5
FY 2025-26	476.4	100.0%	476.4	0.0	476.8
FY 2026-27	493.5	100.0%	493.5	0.0	493.9
FY 2027-28	510.2	100.0%	510.2	0.0	510.6
FY 2028-29	526.6	100.0%	526.6	0.0	527.0
FY 2029-30	542.5	100.0%	542.5	0.0	542.9
FY 2030-31	558.6	100.0%	558.6	0.0	559.0
FY 2031-32	575.4	100.0%	575.4	0.0	575.4
FY 2032-33	593.1	100.0%	593.1	0.0	593.1

Addressed by Settlement Payment 10/6/2020

**Tobacco Settlement Payments to Florida for Outlook Purposes
Old vs. New Forecast of Total Payments (\$ Millions)**

	Prior Forecast (July 2021)	January 2022 Expected Payments Forecast with Liggett	Difference
FY 1997-98			
FY 1998-99			
FY 1999-00			
FY 2000-01			
FY 2001-02			
FY 2002-03			
FY 2003-04			
FY 2004-05			
FY 2005-06			
FY 2006-07			
FY 2007-08			
FY 2008-09			
FY 2009-10			
FY 2010-11			
FY 2011-12			
FY 2012-13			
FY 2013-14			
FY 2014-15			
FY 2015-16			
FY 2016-17			
FY 2017-18			
FY 2018-19			
FY 2019-20			
FY 2020-21	402.6	402.6	0.0
FY 2021-22	418.6	413.8	-4.8
FY 2022-23	434.3	426.2	-8.1
FY 2023-24	451.3	442.5	-8.8
FY 2024-25	468.5	459.5	-9.0
FY 2025-26	485.9	476.8	-9.1
FY 2026-27	503.1	493.9	-9.2
FY 2027-28	520.1	510.6	-9.5
FY 2028-29	536.7	527.0	-9.7
FY 2029-30	552.7	542.9	-9.8
FY 2030-31	569.0	559.0	-10.0
FY 2031-32	585.7	575.4	-10.3
FY 2032-33	603.6	593.1	-10.5

Tobacco Settlement Payments to Florida
Calculation of Inflation Adjustment to Annual Settlement Payment

		JULY 2021 Forecast	JAN 2022 Forecast	
		December CPI	December CPI	Difference
CY 2001	FY 2001-02	176.700		
CY 2002	FY 2002-03	180.900		
CY 2003	FY 2003-04	184.300		
CY 2004	FY 2004-05	190.300		
CY 2005	FY 2005-06	196.800		
1/10/2022	FY 2006-07	201.800		
CY 2007	FY 2007-08	210.036		
CY 2008	FY 2008-09	210.228		
CY 2009	FY 2009-10	215.949		
CY 2010	FY 2010-11	219.179		
CY 2011	FY 2011-12	225.672		
CY 2012	FY 2012-13	229.601		
CY 2013	FY 2013-14	233.049		
CY 2014	FY 2014-15	234.812		
CY 2015	FY 2015-16	236.525		
CY 2016	FY 2016-17	241.432		
CY 2017	FY 2017-18	246.524		
CY 2018	FY 2018-19	251.233		
CY 2019	FY 2019-20	256.974		
CY 2020	FY 2020-21	260.474		
CY 2021	FY 2021-22	270.9	277.948	7.07
CY 2022	FY 2022-23	276.3	283.6	7.26
CY 2023	FY 2023-24	282.1	289.9	7.77
CY 2024	FY 2024-25	288.0	295.8	7.75
CY 2025	FY 2025-26	294.2	302.1	7.96
CY 2026	FY 2026-27	300.5	308.9	8.40
CY 2027	FY 2027-28	307.4	316.3	8.89
CY 2028	FY 2028-29	314.8	324.0	9.24
CY 2029	FY 2029-30	322.5	331.8	9.26
CY 2030	FY 2030-31	330.3	339.5	9.20
CY 2031	FY 2031-32	338.1	347.3	9.23
CY 2032	FY 2032-33	346.0	355.3	9.25

**Tobacco Settlement Payments to Florida
Calculation of Volume Ratio**

		JULY 2021	JAN 2022	
		TOTAL DOMESTIC	TOTAL DOMESTIC	
		CIGARETTE UNITS	CIGARETTE UNITS	Difference
		SOLD (Billions)	SOLD (Billions)	(Volume)
CY 2001	FY 2001-02	398.3		
CY 2002	FY 2002-03	376.4		
CY 2003	FY 2003-04	360.5		
CY 2004	FY 2004-05	361.3		
CY 2005	FY 2005-06	351.6		
1/10/2022	FY 2006-07	343.3		
CY 2007	FY 2007-08	337.7		
CY 2008	FY 2008-09	320		
CY 2009	FY 2009-10	290.6		
CY 2010	FY 2010-11	282.9		
CY 2011	FY 2011-12	274.4		
CY 2012	FY 2012-13	268.4		
CY 2013	FY 2013-14	255.2		
CY 2014	FY 2014-15	254.7		
CY 2015	FY 2015-16	244.2		
CY 2016	FY 2016-17	240.5		
CY 2017	FY 2017-18	229.1		
CY 2018	FY 2018-19	216.9		
CY 2019	FY 2019-20	202.9		
CY 2020	FY 2020-21	198.8	203.7	4.858
CY 2021	FY 2021-22	194.9	193.5	-1.350
CY 2022	FY 2022-23	191.6	188.4	-3.244
CY 2023	FY 2023-24	188.5	185.1	-3.436
CY 2024	FY 2024-25	185.5	182.1	-3.380
CY 2025	FY 2025-26	182.5	179.1	-3.325
CY 2026	FY 2026-27	179.6	176.3	-3.273
CY 2027	FY 2027-28	176.7	173.5	-3.221
CY 2028	FY 2028-29	174.0	170.8	-3.171
CY 2029	FY 2029-30	171.3	168.2	-3.122
CY 2030	FY 2030-31	168.8	165.7	-3.076
CY 2031	FY 2031-32	166.3	163.3	-3.031
CY 2032	FY 2032-33	163.9	160.9	-2.987

**Tobacco Settlement Payments to Florida
Calculation of Net Operating Profit Adjustment Liability**

		F		G			H		
				JULY 2021 Difference in profit from adjusted base (\$ Millions)	JAN 2022 Difference in profit from adjusted base (\$ Millions)	Difference	JULY 2021 Florida Profit Adjustment Liability (5.5% of 25%) (\$ Millions)	JAN 2022 Florida Profit Adjustment Liability (5.5% of 25%) (\$ Millions)	Difference
		Percent Change							
CY 2001	FY 2001-02	-0.3%		1366.5			18.8		
CY 2002	FY 2002-03	-7.3%		906.4			12.5		
CY 2003	FY 2003-04	-81.1%		-2878.3			0.0		
CY 2004	FY 2004-05	342.7%		-70.9			0.0		
CY 2005	FY 2005-06	13.8%		320.1			4.4		
1/10/2022	FY 2006-07	8.3%		559.7			7.7		
CY 2007	FY 2007-08	1.3%		454.0			6.2		
CY 2008	FY 2008-09	4.5%		537.0			7.4		
CY 2009	FY 2009-10	4.5%		627.7			8.6		
CY 2010	FY 2010-11	5.9%		795.5			10.8		
CY 2011	FY 2011-12	2.7%		801.2			11.0		
CY 2012	FY 2012-13	2.0%		769.0			10.6		
CY 2013	FY 2013-14	18.9%		1703.6			0.0		
CY 2014	FY 2014-15	-4.6%		1234.2			0.0		
CY 2015	FY 2015-16	13.2%		1936.2			0.0		
CY 2016	FY 2016-17	7.3%		2309.0			0.0		
CY 2017	FY 2017-18	3.0%		2382.0			0.0		
CY 2018	FY 2018-19	25.1%		2878.8			0.0		
CY 2019	FY 2019-20	7.6%		3434.5			0.0		
CY 2020	FY 2020-21	10.1%		4309.2			0.0		
CY 2021	FY 2021-22	8.0%		4960.1	4,750.3	-209.8	68.2	65.3	-2.9
CY 2022	FY 2022-23	8.0%		5754.9	5,538.8	-216.1	79.1	76.2	-2.9
CY 2023	FY 2023-24	8.0%		6625.1	6,402.5	-222.6	91.1	88.0	-3.1
CY 2024	FY 2024-25	7.5%		7505.6	7,276.3	-229.3	103.2	100.0	-3.2
CY 2025	FY 2025-26	7.0%		8382.2	8,146.1	-236.2	115.3	112.0	-3.3
CY 2026	FY 2026-27	6.5%		9243.6	9,000.4	-243.2	127.1	123.8	-3.3
CY 2027	FY 2027-28	6.0%		10077.7	9,827.2	-250.5	138.6	135.1	-3.5
CY 2028	FY 2028-29	5.5%		10871.8	10,613.8	-258.1	149.5	145.9	-3.6
CY 2029	FY 2029-30	5.0%		11613.1	11,347.3	-265.8	159.7	156.0	-3.7
CY 2030	FY 2030-31	4.8%		12353.7	12,080.0	-273.8	169.9	166.1	-3.8
CY 2031	FY 2031-32	4.8%		13135.4	12,853.5	-282.0	180.6	176.7	-3.9
CY 2032	FY 2032-33	4.8%		13960.3	13,669.9	-290.4	192.0	188.0	-4.0

**Tobacco Settlement Payments to Florida
Combined Payment Liability (\$ Millions)**

	JULY 2021	JAN 2022	
	Estimated Annual	Estimated Annual	
	Payment Liability	Payment Liability	Difference
FY 2001-02	724.7		
FY 2002-03	510.8		
FY 2003-04	361.4		
FY 2004-05	376.6		
FY 2005-06	382.3		
FY 2006-07	386.7		
FY 2007-08	386.5		
FY 2008-09	377.8		
FY 2009-10	355.1		
FY 2010-11	351.1		
FY 2011-12	343.1		
FY 2012-13	355.5		
FY 2013-14	354.5		
FY 2014-15	349.8		
FY 2015-16*	361.5		
FY 2016-17*	364.2		
FY 2017-18*	357.0		
FY 2018-19*	347.0		
FY 2019-20*	333.4		
FY 2020-21	343.1		
FY 2021-22	350.1	348.2	-1.9
FY 2022-23	354.9	349.7	-5.2
FY 2023-24	359.9	354.2	-5.7
FY 2024-25	365.0	359.2	-5.8
FY 2025-26	370.2	364.4	-5.8
FY 2026-27	375.6	369.7	-5.9
FY 2027-28	381.1	375.1	-6.0
FY 2028-29	386.8	380.7	-6.1
FY 2029-30	392.6	386.5	-6.1
FY 2030-31	398.7	392.5	-6.2
FY 2031-32	405.1	398.7	-6.4
FY 2032-33	411.6	405.1	-6.5