



Newsletter
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Cigarette Tax Increases on Many States' Agenda

Legislatures in at least 16 states in addition to Florida, even Kentucky and Virginia, are considering cigarette tax increases this year to deal with revenue shortfalls, according to the National Conference of State Legislatures.

Twelve states have raised cigarette taxes in the last two years—three by at least \$1 per pack—according to the organization's [2009 Proposed State Tobacco Tax report](#).

The Florida Center for Fiscal and Economic Policy has recommended increasing the tax on cigarettes by \$1 per pack and the tax on other tobacco products to 100% of the wholesale price. (Read [A Closer Look at Tobacco Taxes](#).)

HB 0011 is among the bills filed in the Florida Legislature to raise cigarette taxes. Related bills include H477, H877, S850 and S1840.

Only Kentucky, Virginia, Mississippi, Missouri and South Carolina currently levy a lower tax on cigarettes than Florida's \$.339 per pack.

No Growth Expected in Florida's Population for First Time in Decades

Because of "record low levels" of net migration into the state, Florida's population is expected to remain constant in the next year (April 1, 2009-April 1, 2010)—the first no-growth year since records are available beginning in 1950 – 1951.

In that year, according to the state's official Demographic Estimating Conference, Florida's population totaled only 2,980,000 but grew rapidly every year thereafter. Annual increases totaled at least 132,000 annually and as much as 472,000 until growth began declining in 2007. (See [Florida Population and Components of Change](#).)

State forecasters expect Florida “to continue to experience an outflow of residents through the third quarter of 2009 followed by low levels of net migration through mid-2011.”

The Demographic Estimating Conference attributed the outflow to “current economic conditions, including weakened housing markets and a national economic contraction, making it more difficult for people to relocate to the state.” ([Executive Summary](#), Demographic Estimating Conference, Office of Economic and Demographic Research.)

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