

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER
OFFICE OF TAX AND REVENUE



September 10, 2019

OTR NOTICE 2019-07

TO TOBACCO AND VAPOR PRODUCTS WHOLESALERS

CIGARETTE TAX RATE INCREASE TO \$ 4.98 EFFECTIVE OCTOBER 1, 2019

The District of Columbia cigarette excise tax consists of fixed tax per package of 20 cigarettes and a variable surtax levied in lieu of the sales tax. Effective October 1, 2019, the fixed tax remains \$4.50 per package of 20 cigarettes. The surtax is increased from \$.44 cents to \$.48 cents per package of 20 cigarettes. As a result, the combined cigarette excise tax per package of 20 cigarettes as of October 1, 2019 is \$4.98.

The Office of Tax and Revenue will not administer a floor tax in connection with this increase in the cigarette tax, nor will the cigarette stamps currently in use be changed when the tax increases on October 1st. Cigarette stamps purchased on or after October 1 will be sold at the new tax rate. Sales of cigarettes at retail are not subject to the DC sales tax.

**OTHER TOBACCO TAX RATE DECREASE TO 91 PERCENT EFFECTIVE
OCTOBER 1, 2019**

Effective October 1, 2019, the tax rate on other tobacco products is decreased from 96 percent to 91 percent of wholesale sales of other tobacco products, and the tax rate on the sale or possession of 'little cigars' is increased to \$0.249.

Questions should be directed to the Customer Service Administration at (202) 727-4829.