

# OFFICE OF FISCAL ANALYSIS

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SB-164

AN ACT RAISING THE LEGAL AGE TO PURCHASE TOBACCO TO TWENTY-ONE.

## ***OFA Fiscal Note***

### ***State Impact:***

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Department of Revenue Services	GF - Revenue Loss	2 million	5.2 million
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal

Note: GF=General Fund

***Municipal Impact:*** None

### ***Explanation***

The bill raises, from 18 to 21, the legal age to purchase or possess tobacco products in the state; it exempts anyone age 18 or older as of October 1, 2018. This results in an estimated cigarette and tobacco tax revenue loss of \$2 million in FY 19 and \$5.2 million in FY 20, and a potential minimal increase in annual penalty revenue beginning in FY 19.

The bill results in potential revenue gain from fines by raising the legal age to purchase tobacco products from 18 to 21. In FY 17, 80 violators were fined a total of \$11,625 for related offenses.

This estimated revenue loss is based on information published in the American Journal of Public Health indicating that 3% of smokers are between the ages of 18 and 21 and the average annual cigarette consumption for these smokers is approximately 3,132. Using Connecticut population data, this translates to approximately 11,525

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smokers between 18 and 21 consuming approximately 36.1 million cigarettes annually.

***The Out Years***

***State Impact:***

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 21 \$</b>	<b>FY 22 \$</b>	<b>FY 23 \$</b>
Department of Revenue Services	GF - Revenue Loss	7.8 million	7.8 million	7.8 million
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal	Minimal

Note: GF=General Fund

***Municipal Impact:*** None

Sources: *American Journal of Public Health "Retail Impact of Raising Tobacco Sales Age to 21 Years"*  
*Henry J. Kaiser Family Foundation "Percent of Adults Who Smoke"*  
*Judicial Department Offenses and Revenue Database*  
*United States Census Bureau Quick Facts*