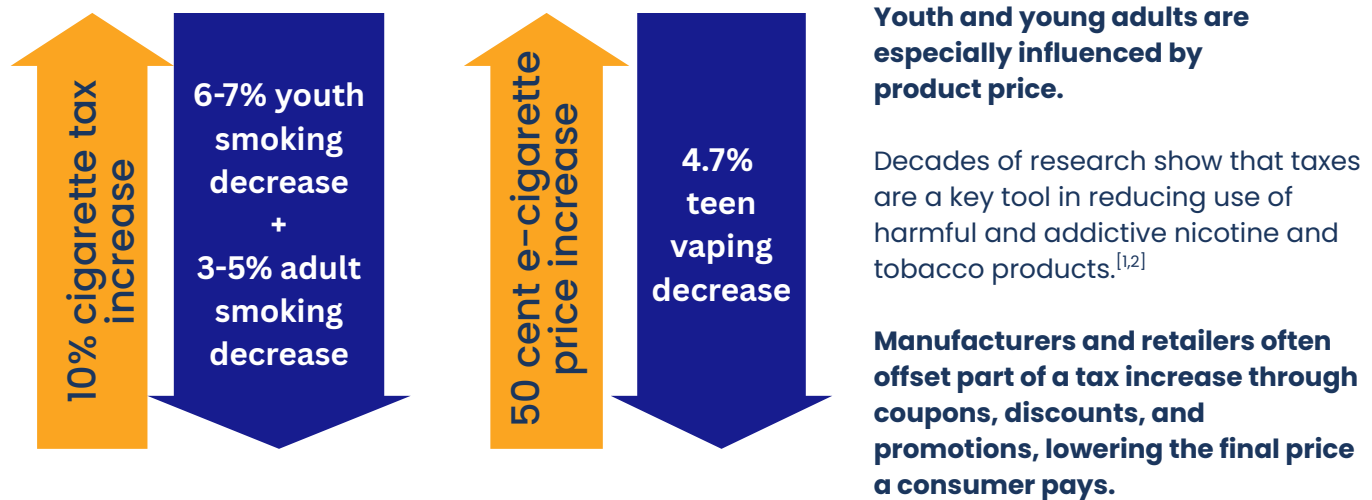


Commercial Tobacco Taxation: Impacts on Use & Equity

Higher tobacco product prices reduce use and youth initiation, and increase quitting



Taxing all tobacco and nicotine products at equivalent rates reduces use^[3]

- more effectively deters youth use of any type of nicotine or tobacco product
- encourages people to quit rather than switch to a cheaper product

Washington has not historically had equivalence, or parity, for tobacco/nicotine tax rates. Until 2026, Washington taxed vapor products by volume rather than at a rate comparable to other nicotine and tobacco products. Beginning in 2026, vapor and other nicotine products are taxed at 95% of the selling price.^[4]

Excise taxes are more equitable when a significant percentage of the revenue supports commercial tobacco prevention and cessation

Washington received ~\$404 million in tobacco related revenue in 2025. Currently, these revenues are deposited into the General Fund and are not specifically allocated to commercial tobacco prevention, cessation, or treatment of tobacco-related disease.^[5]

"The benefit of increasing cigarette prices would be even larger if the increased tax revenue were earmarked for tobacco control programs and other health programs that serve lower SES population groups, particularly for sustained cessation interventions to reach people who may not quit in response to the price increase or people who are at risk of relapse."

– 2024 U.S. Surgeon General's Report

Washington Breathes is a statewide coalition of organizations and individuals working to eliminate the harms of commercial tobacco use.

washingtonbreathes.org Our data sources are online at bit.ly/WaTobaccoTaxSources

CURRENT WA TOBACCO TAXES & HISTORY

The Cigarette and Other Tobacco Products tax rates were last increased in 2010. (12th highest in the US for cigarettes as of January 2026).

- Revenues are deposited into the General Fund.
- From 1993–2009, a portion went to health care.

The Vapor Product Tax was enacted in 2019 with a 50/50 allocation to Andy Hill CARE Fund and Foundational Public Health Services.

Beginning in 2026, vapor products will be taxed at the Other Tobacco Products rate and revenues will go to the General Fund.

	Current Washington Tax Rate	Tax Rates in Neighboring States (2025)
Cigarette Tax RCW 82.24	15.125 cents per cigarette = \$3.025 per pack	OR: \$3.33 per pack CA: \$2.87 per pack ID: \$0.57 per pack
Vapor Product Tax RCW 82.25.010	27 cents/mL for most vapes. 9 cents/mL for open e-liquid > 5 mL ----- In January 2026, changes to 95% of product price	OR: 65% wholesale price CA: 54.27% wholesale cost + 12.5% retail price ID: none
Cigars & Little Cigars RCW 82.26.020	95% of cigar price, not to exceed 65 cents per cigar. Little cigars taxed as cigarettes.	OR: 65% wholesale price CA: 54.27% wholesale price; little cigars same as cigarettes ID: 40% wholesale price
Moist Snuff RCW 82.26.020	for 1.2 oz can or smaller: \$2.526 or twenty times 83.5% of cigarette tax, whichever is greater	OR: \$1.86 per ounce CA: 54.27% wholesale price ID: 40% wholesale price
Other Tobacco Products RCW 82.26.020	95% of product price; lower rates for modified risk products	OR: 65% wholesale price CA: 54.27 % wholesale price ID: 40% wholesale price
Federal Taxes: Cigarettes receive an additional \$1.01/pack. Large cigars are taxed at 52.75% of the manufacturer's sales price, with a maximum tax of 40.26¢/cigar. Pipe and roll-your-own tobacco are taxed at \$2.83 and \$24.78/pound, respectively.		

TRIBAL TAX COMPACTS

Tribes in Washington are sovereign nations with government-to-government relations with WA State.

- 27 of 29 federally-recognized Tribes have compacts with Washington State to collect cigarette taxes for sales to non-members on Tribal land. Tribes may exempt their members from the tax.
- Tribal cigarette taxes for non-members must be 100% of the WA tax plus state and local sales taxes within 3 years. During that phase-in, the Tribal tax must be at least 80% of the state tax. The Yakama Nation compact has a longer phase-in period.
- Some Tribes also tax vapor products and have compacts with the state.
- The Puyallup Tribe's cigarette and vapor product compacts share 30% of revenues with the state.

This fact sheet was developed by the coalition's Policy Workgroup and approved by the Leadership Committee.

[washingtonbreathes.org](https://www.washingtonbreathes.org) Our data sources are online at bit.ly/WaTobaccoTaxSources