



**152nd GENERAL ASSEMBLY  
FISCAL NOTE**

---

**BILL:** SENATE BILL NO. 84  
**SPONSOR:** Senator Brown  
**DESCRIPTION:** AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO TAXATION OF PREMIUM CIGARS.

---

**Assumptions:**

1. This Act becomes effective upon the signature of the Governor. Upon signature, the provisions of this Act take effect October 1, 2023.
2. This Act lowers the tax rate for premium cigars from 30% to 20% of the wholesale price.
3. The Delaware Economic and Financial Advisory Committee, at their March 2023 meeting, approved a cigarette tax estimate of \$98,600,000 for Fiscal Year 2024. Of this amount, the Department of Finance estimates that \$2,508,300 of that revenue is attributable to the current 30% tax on premium cigar sales.
4. Upon implementation, this Act will result in an estimated reduction in annual tax revenues from premium cigar sales in the amount of \$710,685. However, for the initial year of implementation, revenue loss is adjusted to account for the October 1 effective date.

**General Fund Revenue Loss:**

Fiscal Year 2024:	\$473,790
Fiscal Year 2025:	\$710,685
Fiscal Year 2026:	\$710,685

---

Prepared by Robert Scoglietti  
Office of the Controller General