153rd GENERAL ASSEMBLY
FEE IMPACT

BILL:	**HOUSE BILL NO. 215**
SPONSOR:	**Representative Minor-Brown**
DESCRIPTION:	**AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO TOBACCO PRODUCT TAXATION AND LICENSING.**

In accordance with 29 Del. C. §913, the following information is provided relating to licenses and fees.

Description of the Legislation:
This Act increases the annual license fees associated with the wholesale and retail sale of tobacco products. As defined by 30 Del. C §5301 (15), "Tobacco Products" means all products made primarily from tobacco for individual consumption, including cigarettes, cigars, pipe tobacco and vapor products. Under the provisions of this Act, annual wholesale license fees would increase from $200 to $400, and annual retail license fees would increase from $50 to $100. The annual license fee to own and operate a vending machine from which tobacco products are offered for sale would increase from $15 to $30. The fee to replace a license would increase from $10 to $20.

There are currently 71 wholesale licensees, 895 retail licensees and 1 vending machine licensee. Wholesale and retail licensees may renew their licenses for either a one or three-year period. A review of current licensees indicates that approximately 63% renew for a three-year period while 37% renew for one year.

Affected Entities:
Wholesale and retail dealers of tobacco products.

Additional Revenue Generated:

Fiscal Year 2027:	$80,115
Fiscal Year 2028:	$44,365
Fiscal Year 2029:	$40,365

Intended Use of Revenue:
Additional revenue generated by this Act will be deposited to the General Fund.

Prepared by Robert Scoglietti
Office of the Controller General