

**MEMORANDUM**

April 19, 1989

**TO:** Mr. John A. Kochevar  
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Mr. John H. Hager

Mr. Edward D. Kratovil  
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Mr. Roger L. Mozingo  
Mr. John R. Nelson, Jr.

**FROM:** Paul J. Emrick

**SUBJ:** New York Cigarette Tax

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The New York State Legislature, early this morning, passed the tax bill (S2408-A & A3608-A) by a vote of 87-60 in the Assembly, with two (2) abstentions and by 49-11 in the Senate. The measure has gone to Governor Cuomo for immediate signature.

The cigarette excise tax increase is .12-cents, bringing the state levy to 33-cents per pack (41-cents in New York City). A new OTP tax is also imposed at the rate of 15% of the wholesale price on July 1, 1989. The cigarette tax increase becomes effective May 1, 1989.

PJE/tms

**cc:** Mr. Samuel D. Chilcote, Jr.  
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