



June 20, 2025

State Legislative Bill Actions

State tobacco-related legislative bills that have been acted on by a state legislative committee or state legislature are listed below alphabetically by state:

Arizona:

- SB1247 raises the legal age for purchasing, possessing, or using tobacco and nicotine products from 18 to 21 years of age, with an exception for active military personnel aged 18 and over if they hold valid military ID. The bill was passed by the House and transmitted back to the Senate, on June 17 the Senate Conference Committee recommended approval on the bill. The bill will return to the Senate floor for a full vote.

Illinois:

- HB2755 (Budget Bill) was signed by the Governor on June 16, 2025. The budget includes expanding the definition of tobacco products and increases the tax of these products to 45% of the wholesale price passed the Legislature and was sent to the Governor. Starting July 1, 2025, this tax will apply to nicotine pouches (currently no tax), moist snuff (currently 30-cents per oz.), vapor products (currently 15%).

Louisiana:

- HB325 modifies the tax on certain cigars from 20% of the invoice price to 50 cents per cigar was signed by the Governor June 11, 2025. The bill has an effective date of January 1, 2026
- HB412 was signed by the Governor on June 11, 2025. This bill requires that manufacturers of vapor and alternative nicotine products sold in the state must submit a certification to the commissioner of the alcohol and tobacco commission. This certification must affirm that the product was on the market in the U.S. by specific dates and that a premarket tobacco product application was submitted to the FDA by certain deadlines. For vapor products, the relevant dates are August 8, 2016, and September 9, 2020, while for alternative nicotine products, they are April 14, 2022, and May 14, 2022. The bill also requires manufacturers to provide a copy of the cover page of their FDA application or marketing order and to notify the commissioner of any material changes. The bill takes effect August 1, 2025.

Maine:

- LD 210 (HP132—budget bill) passed the House and Senate on June 18, 2025. The budget includes increases to the cigarette tax from \$2.00 to \$3.50 per pack (includes a floor tax), the smokeless tobacco (moist snuff and chewing tobacco) tax from \$2.02/oz. to \$3.54/oz. and vapor products/nicotine pouches tax from 43% to 75% of the wholesale price. The bill reduces the cigarette stamp discount rate from 1.11% to .66%. The Governor has said she will sign the bill and as a result the tobacco and nicotine excise tax increases will be effective January 5, 2026.

New York:

- S5196A (same as A2128A) restricts the storage and sale of flavored vapor products near retail and wholesale locations, introduces stricter penalties and record-keeping requirements for dealers, and establishes programs to reduce vapor product use among youth. This bill was sent to the Senate Rules Committee on June 13, 2025.

Ohio:

- A Conference Committee was appointed on June 12, 2025 on the state budget (AmSubHB96). The budget currently does not include Governor DeWine's proposed tax increases: cigarettes from \$1.60 to \$3.10 per pack, OTP from 17% to 42%, vapor from 10-cents/ml to 20-cents/ml and a new tax on nicotine pouches at the same rate as vapor products increases. The budget bill does include expanding the local cigarette taxing authority to Summit County and Hamilton County by way of ballot initiative at a rate determined by the county commissioners.

Oregon:

- HB2528 adds "nicotine derived from any source" to the definitions of "inhalant delivery system" and "tobacco products" Repeals the criminal prohibition on the sale of inhalant delivery systems or tobacco products to an individual under the age of 21 and replace it with a civil prohibition and imposes civil penalties. A provision to tax nicotine pouches at 65% of the wholesale price was removed from the bill. The bill passed the House was referred to the Senate Finance and Revenue Committee.
- HB3940, a wildfire prevention bill, was amended to include a new tax on oral nicotine products. For packages with 20 consumable units or less, an excise tax of 65-cents package and for packages with more than 20 consumable units, a new tax of 3.25-cents per consumable unit would be imposed, effective January 1, 2026. The amended bill passed the House Revenue Committee on June 19, 2025.

Rhode Island:

- HB5076A (state budget) proposes to expand the taxation definition of "other tobacco products" to include nicotine pouches and tax those products at the current 80% tax on tobacco products, effective October 1, 2025. Previous budget proposals included a cigarette tax increase, which is not included in the current budget bill. The House adopted the bill as substituted and The Senate Finance Committee recommended passage on June 18, 2025. The bill was placed on the Senate calendar for June 20, 2025.

- SB417A would reduce the state cigarette excise tax on any products (e.g. tobacco heating products) by 50% that receive a modified risk tobacco product (MRTP) designation from the FDA. The Senate passed the bill as substituted on June 17, 2025.

State Legislative Sessions

All 50 states are holding state legislative sessions in 2025. The following 15 states are currently in session:

- AZ, CA, DE, ME, MA, MI, NH, NJ, NY, NC, OH, OR, PA, RI, WI

35 states have adjourned their 2025 legislative session:

- AL, AK, AR, CO, CT, FL, GA, HI, ID, IL, IN, IA, KS, KY, LA, MD, MN, MT, NE, ND, MS, MO, NV, NM, OK, SC, SD, TN, TX, UT, VA, VT, WA, WV & WY

Florida: Adjourned its 2025 legislative session. The following bills failed upon adjournment:

- HB785 redefined “tobacco products” to include heated tobacco products for the purpose of taxation by not taxing these products as cigarettes.
- SB1418 defined heated tobacco products and exempts them from the tobacco products tax.
- SB928 regulated nonapproved disposable nicotine dispensing devices. It defines a "nonapproved disposable device" as a single-use nicotine dispensing device that has not received a marketing order under federal law. The bill also included provisions that place distance restrictions on where nicotine products can be sold in relation to public and private schools.

Vermont: Adjourned its 2025 legislative session. The following bill carries over to the 2026 session:

- HB135 expands the definition of other tobacco products to include products containing “nicotine, whether natural or synthetic” and subjects such products to the tobacco products tax of 92% of the wholesale price.

Tobacco and Nicotine Excise Tax Changes

Below are the tobacco and nicotine product excise tax changes that were previously enacted and scheduled to take effect:

Illinois: July 1, 2025 - expands the definition of tobacco products and increases the tax of these products to 45% of the wholesale price. This tax will apply to nicotine pouches (currently no tax), moist snuff (currently 30-cents per oz.), and vapor products (currently 15%).

Indiana: July 1, 2025 - Cigarettes from \$.995 to \$2.995 per pack; OTP from 24% to 30% of the wholesale price; moist snuff from \$.40 to \$.50 per ounce; Cigars from 24% to 30% of the wholesale price - tax cap raised from \$1.00 to \$3.00 per cigar; Alternative nicotine products (nicotine pouches) from \$.40 to \$.50 per ounce; Closed system vapor cartridges from 15% to 30% of the wholesale price and vapor consumable material (open systems) from 15% to 30% at

retail. Distributors in possession of revenue stamps paid for before July 1, 2025, may be used only if the full amount of the new tax rate is remitted.

North Carolina: July 1, 2025 (passed in 2023) – Moist snuff from 12.8% of wholesale price to 40-cents per ounce and a proportionate rate on all fractional parts of an ounce and a new alternative nicotine products (nicotine pouches) tax at the rate of 10-cents per container containing up to 20 units, and at the rate of one-half cent per unit for any amount in a container containing over 20 units.

California: July 1, 2025 (annual adjustment) - OTP tax from 52.92% to 54.27% as part of the State's annually determination of the excise tax rate on OTP, which is equivalent to the combined excise tax rate imposed on cigarettes. OTP includes all other tobacco and nicotine products other than cigarettes.

Tennessee: July 1, 2025 – create a new 10% wholesale price on vapor products.

Hawaii: January 1, 2026 - Cigarette and little cigar tax from \$3.20 to \$3.60 per pack.

Nebraska: January 1, 2026 - Implements a tax on alternative nicotine products (nicotine pouches) at 20% of the retail price.

Maine: January 5, 2026 - Cigarette tax from \$2.00 to \$3.50 per pack, the smokeless tobacco (moist snuff and chewing tobacco) tax from \$2.02/oz. to \$3.54/oz. and vapor products/nicotine pouches tax from 43% to 75% of the wholesale price. The bill reduces the cigarette stamp discount rate from 1.11% to .66%.

NATO Launches New Website

NATO recently launched a redesigned website that includes critical regulatory information that we provide to our members is readily accessible with a refreshed look. The website also provides member perspectives and provides an application for prospective members interested in joining.

To gain full access to all the regulatory information available on the site, NATO members need to register for the site by clicking the below link:

[National Association of Tobacco Outlets](#)