



## **Proposition EE**

### **Taxes on Nicotine Products**

**Question:**

SHALL STATE TAXES BE INCREASED BY \$294,000,000 ANNUALLY BY IMPOSING A TAX ON NICOTINE LIQUIDS USED IN E-CIGARETTES AND OTHER VAPING PRODUCTS THAT IS EQUAL TO THE TOTAL STATE TAX ON TOBACCO PRODUCTS WHEN FULLY PHASED IN, INCREMENTALLY INCREASING THE TOBACCO PRODUCTS TAX BY UP TO 22% OF THE MANUFACTURER'S LIST PRICE, INCREMENTALLY INCREASING THE CIGARETTE TAX BY UP TO 9 CENTS PER CIGARETTE, EXPANDING THE EXISTING CIGARETTE AND TOBACCO TAXES TO APPLY TO SALES TO CONSUMERS FROM OUTSIDE OF THE STATE, ESTABLISHING A MINIMUM TAX FOR MOIST SNUFF TOBACCO PRODUCTS, CREATING AN INVENTORY TAX THAT APPLIES FOR FUTURE CIGARETTE TAX INCREASES, AND INITIALLY USING THE TAX REVENUE PRIMARILY FOR PUBLIC SCHOOL FUNDING TO HELP OFFSET REVENUE THAT HAS BEEN LOST AS A RESULT OF THE ECONOMIC IMPACTS RELATED TO COVID-19 AND THEN FOR PROGRAMS THAT REDUCE THE USE OF TOBACCO AND NICOTINE PRODUCTS, ENHANCE THE VOLUNTARY COLORADO PRESCHOOL PROGRAM AND MAKE IT WIDELY AVAILABLE FOR FREE, AND MAINTAIN THE FUNDING FOR PROGRAMS THAT CURRENTLY RECEIVE REVENUE FROM TOBACCO TAXES, WITH THE STATE KEEPING AND SPENDING ALL OF THE NEW TAX REVENUE AS A VOTER-APPROVED REVENUE CHANGE?