



**New York State Excise Tax on Little Cigars to Increase  
on September 1, 2023**

Effective September 1, 2023, the New York State excise tax on little cigars will increase by \$1.00 per pack of 20 little cigars, from \$4.35 to \$5.35.

For packs containing an amount other than 20 little cigars, compute the tax based on the number of 20 little cigar packs (or the equivalent). To determine the equivalent amount of 20 packs, divide the number of little cigars in the pack by 20.

The following examples explain how to calculate the excise tax for little cigars sold in quantities other than 20, on or after September 1, 2023:

**Example 1:** *A box of little cigars contains 50 little cigars. The excise tax rate on this box is \$13.375.*

1. *Determine the equivalent number of 20 packs ( $50/20 = 2.5$  equivalent).*
2. *Multiply the result by the tax rate ( $2.5 \times \$5.35 = \$13.375$ ).*

**Example 2:** *The excise tax on a single little cigar is \$0.2675.*

1. *Determine the equivalent number of 20 packs ( $1/20 = .05$  equivalent).*
2. *Multiply the result by the tax rate ( $.05 \times \$5.35 = \$0.2675$ ).*

**No floor tax on little cigars**

There is **no** floor tax on the inventory of little cigars in your possession. Do not recompute the tax at the new rate on little cigars imported or caused to be imported into New York State or manufactured in New York State prior to September 1, 2023.

**Note:** An N-Notice is generally issued to announce a singular event, such as an update to a previously issued tax form or instruction, or to announce a new due date for filing returns and making payments of tax because of a natural disaster. The department does not revise previously issued N-Notices.