



## Department of Taxation and Finance

### Important:

The information concerning the taxation of little cigars in this TSB-M is out-of-date and is provided only for historical purposes.

For the most up-to-date information on the taxation of little cigars, see Tax Bulletin [Little Cigars \(TB-TP-530\)](#).

For the current tax rates for cigarettes and little cigars, see [Cigarette and tobacco products tax](#).

The TSB-M begins on page 2 below.

[Tax Law § 471-b; § 471-c; Part Q of Chapter 59 of the Laws of 2024]

### ***Amended Definition of Little Cigar***

As explained in TSB-M-10(4)M, *Amendments to Definitions and Tax Rates for Tobacco Products*, beginning August 1, 2010, little cigars are taxed at the same tax rate as cigarettes. Form MT-203, *Distributor of Tobacco Products Return*, is being revised to separately calculate the tax on little cigars, and must be used beginning with the return for the month of August 2010, due September 20, 2010.

Chapter 57 of the Laws of 2010 recently amended the definition of *little cigar* to include any roll for smoking made wholly or in part of tobacco if the product is wrapped in any substance containing tobacco, other than natural leaf tobacco wrapper, and weighing not more than four pounds per thousand or with a cellulose acetate or other integrated filter.

Accordingly, little cigars meeting this definition that are imported or caused to be imported into New York State or manufactured in New York State on or after August 1, 2010, will no longer be taxed based on their wholesale price, but will be taxed at the same rate as cigarettes. The tax rate for little cigars will be \$4.35 for packs containing 20 little cigars or less. For packs containing more than 20, the additional little cigars will be taxed at a rate of \$1.0875 for each five little cigars or fraction thereof.

*Example: For a pack of 25 little cigars, the tax rate will be \$5.4375 (\$4.35 + \$1.0875).*

Although they are taxed at the same rate as cigarettes, *little cigars* are still considered a *tobacco product* and a *cigar* as defined in Article 20 of the Tax Law. Packs of little cigars are not required to have tax stamps affixed to them. The New York City tax on cigarettes of \$1.50 per pack does not apply to little cigars.

**NOTE:** A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.