



**153rd GENERAL ASSEMBLY
FEE IMPACT**

BILL:	HOUSE SUBSTITUTE NO. 1 TO HOUSE BILL NO. 215
SPONSOR:	Representative Minor-Brown
DESCRIPTION:	AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO TOBACCO PRODUCT TAXATION AND LICENSING.

In accordance with 29 Del. C. §913, the following information is provided relating to licenses and fees.

Description of the Legislation:

This Act increases the annual license fees associated with the wholesale and retail sale of tobacco products. As defined by 30 Del. C §5301 (15), "Tobacco Products" means all products made primarily from tobacco for individual consumption, including cigarettes, cigars, pipe tobacco and vapor products. Under the provisions of this Act, annual wholesale license fees would increase from \$200 to \$400, and annual retail license fees would increase from \$50 to \$100. The annual license fee to own and operate a vending machine from which tobacco products are offered for sale would increase from \$15 to \$30. The fee to replace a license would increase from \$10 to \$20.

There are currently 58 wholesale licensees, 865 retail licensees and 1 vending machine licensee. Wholesale and retail licensees may renew their licenses for either a one or three-year period. A review of current licensees indicates that approximately 48% renew for a three-year period while 52% renew for one year.

Affected Entities:

Wholesale and retail dealers of tobacco products.

Additional Revenue Generated:

Fiscal Year 2027:	\$67,865
Fiscal Year 2028:	\$37,865
Fiscal Year 2029:	\$42,865

Intended Use of Revenue:

Additional revenue generated by this Act will be deposited to the General Fund.

Prepared by Robert Scoglietti
Office of the Controller General