

Blue Ridge Cigarette Tax Board

October 2024



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Blue Ridge Cigarette Tax Board

How It Works

- ❑ Blue Ridge Cigarette Tax Board established October 2021. Original members were Albemarle, Augusta, Fluvanna, Greene, Madison, and Orange counties, and City of Charlottesville; Town of Madison added December 2021; Rockingham County added effective July, 2024.
- ❑ New local taxes levied beginning January 2022
- ❑ As administrator for the BRCTB, TJPDC works with 25-30 distributors who submit monthly reports on sales and remit revenue designated by jurisdiction.
- ❑ TJPDC tracks/reconciles stamp purchases/pack sales/revenues.
- ❑ TJPDC distributes revenue to BRCTB members, net actual administrative costs and a 2% dealer discount, on a monthly basis.

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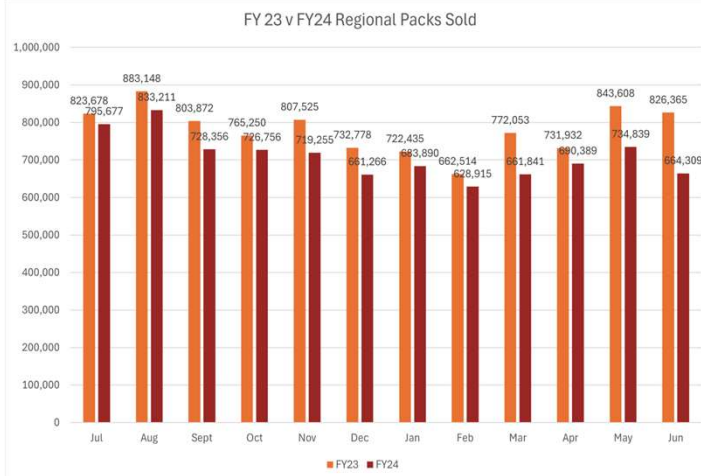
Cigarette Sales and Tax Revenue Generated

- FY 2024 gross revenue: ~\$2.9 million
- FY 2024 total packs sold: >8.5 million
- FY 2024 Admin costs: ~\$157K
- August 2024 packs sold: 764,060
- Of note:
 - Overall, packs sold continue to decline year to year (~9% FY23 to 24); FY 24 revenues were up due to a rate increase in one locality
 - Expenses may fluctuate, but average around 13K per month, spread across the member localities

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Packs Sold FY23 v FY24 Comparison

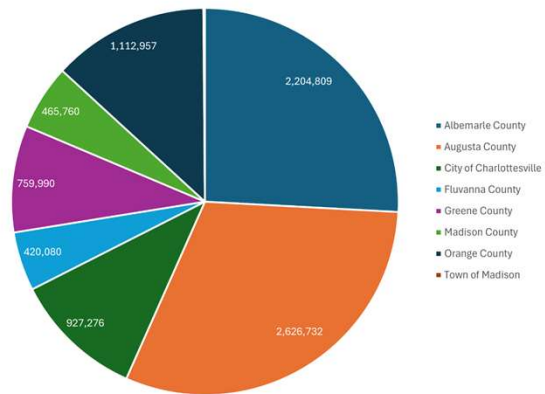


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FY24 Total
Packs Sold
by
Jurisdiction

FY 24 Packs Sold by Jurisdiction

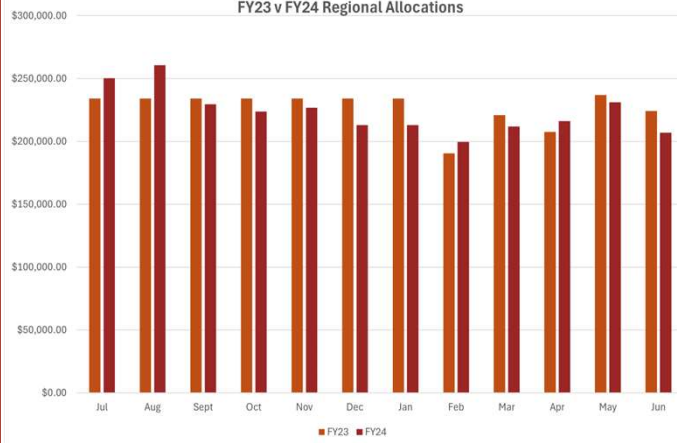


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Total
Allocation
FY23 v FY24
Comparison

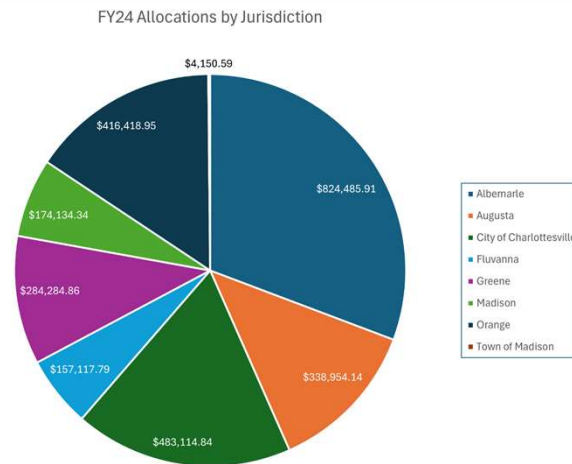
FY23 v FY24 Regional Allocations



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FY24 Allocation by Jurisdiction



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What's New with the Board?

- The Board met twice (April and July) since your last meeting
- Approved FY25 budget of \$2.96 million; all but \$150K is pass-through
- Agreed to Rockingham County joining the Board
- Continued to refine the reserve fund policy
- Established a new option for distributors to make payments by ACH
- Designated the Executive Director (or designee) to hear any appeals of cigarette seizures

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Compliance Efforts

- Goal: Initial goal to educate, inform and work with retailers/distributors to ensure compliance
- >250 retailers within the BRCTB footprint
- Most all retailers are in full compliance
- No seizures have been made, including during an “old product” purge at end of 2023.
- Only a handful of warnings for late reports/remittances by distributors

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<https://tjpd.org/brctb/>

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