

PERSPECTIVES ON THE CIGARETTE TAX FAIRNESS ISSUE

Submitted to the Office of the Honorable David A. Paterson,
Governor of the State of New York

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Contents

Introduction.....	3
Tax Revenue Hemorrhage	4
And It's Getting Worse.....	5
Impact on Public Health.....	6
Impact on Small Business	7
Double Standards.....	8
Tribal Sovereignty.....	9
The Violence Card.....	10
Economic Clout	11
Smuggler's Paradise	12
Added Fire Danger	13
The Injunction	14
Summary	15
About NYACS.....	16

Introduction

Cigarette tax evasion has become so prevalent in the Empire State that more than half of New York smokers openly admit buying from untaxed or lower-tax sources.¹

By quintupling the excise tax on cigarettes in the span of eight years without closing off well-established channels for dodging that tax, New York State government incited and abetted today's all-out epidemic of tax evasion.

This ever-widening crisis has crippled legitimate small businesses, squandered desperately needed tax revenue, promoted lawlessness, and thwarted anti-smoking initiatives.

Whenever a smoker buys a pack of cigarettes "tax-free," the state loses the \$2.75 excise tax, while the state and local governments lose another 50 cents or so in sales tax revenue.

In addition, licensed, tax-collecting retailers are deprived of a legitimate sale, and the crusade to prevent youth smoking and reduce adult smoking efforts is impeded.

Yet those who ignore tobacco taxes and regulations are rewarded for defying the law.

The U.S. Supreme Court, in the landmark 1994 *Attea* case², unanimously ruled that New York State is entitled to collect taxes on the sale of cigarettes by Native American tribes to non-Native American customers.

The state Legislature voted to exercise this right by amending Section 471(e) of the Tax Law to require the collection of such taxes. This law took effect March 1, 2006, but to date the Department of Taxation and Finance refuses to implement it.

As the Paterson administration formulates a strategy for addressing this fiscal, economic, and public health crisis, the New York Association of Convenience Stores offers the following facts, opinions and resources that may be useful.

New York is a cigarette tax sieve.



You can't capture hundreds of millions of dollars in revenue with a leaky bucket.

RESOURCES:

¹ "Cigarette Purchasing Patterns Among New York Smokers: Implications for Health, Price, and Revenue," prepared by RTI International for NYS Department of Health, March 2006: www.health.state.ny.us/prevention/tobacco_control/docs/cigarette_purchasing_patterns.pdf

² DEPARTMENT OF TAXATION AND FINANCE OF NEW YORK, et al., PETITIONERS v. MILHELM ATTEA & BROS., INC., etc., et al: www.nyacs.org/Attearuling.pdf.pdf

Tax Revenue Hemorrhage

Based on Dr. O'Connor's study, the State of New York is losing **\$1.6 million every day** it delays enforcing the cigarette tax collection law.

The average New York household pays \$86 a year in taxes to subsidize other New Yorkers' tax-free purchases of cigarettes from Native American outlets.

A February 2008 study done for the New York Association of Convenience Stores by economist Brian P. O'Connor Ph.D.³ showed that the State would generate \$600 million a year in additional revenue by enforcing the existing law requiring collection of taxes on tribal sales of cigarettes to non-Indian customers.

That was *before* the cigarette excise tax rate almost doubled on June 3, 2008 – almost doubling the incentive for New York smokers to evade the tax. We can surmise that the lost revenue now approaches One Billion Dollars annually.

This figure, while alarming enough, is actually higher if one factors in the unknown amount of lost state taxes on motor fuel sold “tax-free” at tribal outlets, as well as local sales tax on cigarettes, gas, and other products those gas and cigarette customers would have purchased while visiting tax-collecting stores. The reduced retail traffic also cuts into lottery sales at those stores, lowering state lottery revenue.

Some executive branch officials currently claim the lost tax revenue is only \$100 to \$150 million per year.

That doesn't jibe with a state Health Department report⁴ saying “revenue lost to the state as a result of purchasing low price (mainly untaxed) cigarettes was estimated to be between \$436 million and \$576 million in 2004.” Nor the City of New York's estimate that the city alone is losing \$195 million a year due to sales on Indian reservations.

In fact, way back in March 1997, then-state Tax Commissioner Michael Urbach acknowledged in a letter that cigarette tax evasion was costing the State of New York upwards of \$100 million per year in lost tax revenue. The cigarette tax rate then was 56 cents per pack. Now it's \$2.75.

RESOURCES:

³ “AN Update – Additional Cigarette Tax Revenue Sources For New York State,” February 22, 2008, Brian P. O'Connor.: www.nyacs.org/documents/08OConnorstudy.pdf

⁴ “Cigarette Purchasing Patterns Among New York Smokers: Implications for Health, Price, and Revenue,” prepared by RTI International for NYS Department of Health, March 2006: www.health.state.ny.us/prevention/tobacco_control/docs/cigarette_purchasing_patterns.pdf

And It's Getting Worse

The \$1.25-per-pack excise tax increase of June 3, 2008, intensified the cigarette tax evasion epidemic in New York State, as illustrated by monthly tax collections posted on the Tax Department's web site:⁵

NYS Cigarette Tax Collections June thru Aug 2008 vs. 2007

Month	2007	2008	\$ Change	% Change
June	\$88,037,000	\$98,418,000	\$10,381,000	11.8%
July	\$88,957,000	\$117,413,000	\$28,456,000	32.0%
August	\$92,739,000	\$126,585,000	\$33,846,000	36.5%
3-Month Total	\$269,733,000	\$342,416,000	\$72,683,000	26.9%

Source: NYS Department of Taxation and Finance web site, Monthly Tax Collections

NYS Taxable Cigarette Unit Sales June thru Aug 2008 vs. 2007

(In Carton Equivalents)

Month	2007	2008	# Change	% Change
June	5,869,133	3,578,836	-2,290,297	-39.0%
July	5,930,467	4,269,564	-1,660,903	-28.0%
August	6,182,600	4,603,091	-1,579,509	-25.5%
3-Month Total	17,982,200	12,451,491	-5,530,709	-30.8%

Source: Calculation based on above sales volume and per-carton tax rate

Tax-collecting stores sold 5.5 million fewer cartons during the three months ending August 31, 2008, compared with the same period in 2007 – **a 31% drop.**

A small fraction of that was people quitting smoking. The vast majority was **smokers shifting their purchases** to tribal stores, the Internet, or the black market to avoid paying any tax, or to border states with lower tax rates.

RESOURCES:

⁵ Statistical Reports, Monthly Tax Collections, www.tax.state.ny.us

Impact on Public Health

Each year in NYS, health departments conduct more than 28,000 undercover inspections at tax-collecting stores to ensure they aren't selling cigarettes to minors.

These retailers' compliance rate improved from 81% in 1997 to 92.4% in 2007.⁶

What's the compliance rate at "tax-free" tribal outlets? Nobody knows, since the health departments don't bother inspecting them.

As state tax policy drives more cigarette sales to tribal stores, the Internet, and the black market, the higher the percentage of cigarette purchases that occur beyond the reach of state regulations designed to protect public health.

The whole idea of taxing cigarettes at an exorbitant level is to give smokers a financial incentive to quit. But if all they need to do to avoid the tax is order online, visit the nearest Indian reservation, or meet some unscrupulous black-market entrepreneur in a nearby parking lot, the public health objective is defeated.

A 2006 state Department of Health report⁷ found that if all smokers were paying the average retail price for cigarettes, including excise tax, the current prevalence of smoking would be 2 to 3% lower, meaning there would be 51,026 to 76,539 fewer adult smokers in New York.

Moreover, these "tax free" purchases occur without any health department monitoring to detect and punish underage sales.

Licensed, tax-collecting stores are required by law to be visited once or more annually by undercover health inspectors. If caught selling to a minor, even unintentionally, they can be fined thousands of dollars and/or have their cigarette and lottery licenses suspended.

Meanwhile, their "tax free" competitors – who in many cases sell 25 times as many cigarettes as they do – are given a complete pass. Health departments don't bother to inspect them. They can't lose their license, because they have no license to start with, and nobody's watching anyway.



RESOURCES:

⁶ "Youth Access Tobacco Enforcement Program, 10th Annual Report," New York State Department of Health:

www.health.state.ny.us/prevention/tobacco_control/docs/tobacco_enforcement_annual_report_2006_2007.pdf

⁷ "Cigarette Purchasing Patterns Among New York Smokers: Implications for Health, Price, and Revenue," prepared by RTI International for NYS Dept. of Health, March 2006: www.health.state.ny.us/prevention/tobacco_control/docs/cigarette_purchasing_patterns.pdf

Impact on Small Business

For the past 14 years, tax-collecting convenience stores engaged in the sale of tobacco products have had to do business with one hand tied behind their back by their State government.⁸

Their reward for obtaining a license to responsibly sell tobacco products, complying with the myriad regulations, collecting and remitting taxes, providing employment, risking capital, and working seven days a week is a State tax policy that chases their customers away to “tax free” tribal stores they can’t possibly compete with.

Tribal outlets are brazenly running ads in New York newspapers offering name-brand cigarettes at prices that are less than half the tax-included prices of their non-Indian competitors.

Cigarette tax evasion means fewer customers coming through the door, which translates to lower sales, which inevitably leads to fewer jobs and less capital investment.

Every day, another licensed, tax-collecting, family-run retail store, or wholesale supplier, falls by the wayside because their State government has turned its back on the fundamental principle of fairness.

For law-abiding retailers and suppliers who manage to survive, there is a heightened security risk because the value of their cigarette inventory has been inflated to \$70 to \$90 per carton, making them a precious commodity attractive to criminals.



“We hung on as best we could, cutting costs wherever possible, but we kept losing ground **because the State was chasing all the business to the tax-free side of the street.**”⁹

Dan Kirst, President, EP Kirst & Sons, family-operated wholesale distributor forced to close due to cigarette tax evasion, eliminating 48 jobs

RESOURCES:

⁸ 14-Year Chronology of NYS Tax Evasion/Enforcement Issue:

www.nyacs.org/14-yearchronology.pdf.pdf

⁹ “Family-Run E.P. Kirst & Sons Inc., Hamburg NY, a Casualty of NYS Inaction on Tax Fairness Issue”: www.nyacs.org/documents/Kirstfamily_000.pdf

Why should one retailer have to bear the burdens of complying with state laws on registration, minimum pricing, taxation, product display, signage, age verification etc. when **the retailer across the street is allowed to ignore all of the above?**

Double Standards

It's not just cigarette excise taxes. Here's a look at how various state laws and regulations are enforced upon tribal vs. non-tribal stores in New York State. In some cases, these shops are right across the street from each other. Yet enforcement-wise, they are worlds apart.

New York State Statute or Regulation	Subject to enforcement?	
	Licensed Retailer	Tribal Store
TOBACCO PRODUCTS		
Collect/Remit NYS Excise Tax on Cigarettes	Yes	No
Collect/Remit NYS Excise Tax on Other Tobacco	Yes	No
Collect/Remit NYS and Local Sales Taxes	Yes	No
Obtain/Display NYSDTF Tobacco Dealer Registration	Yes	No
Abide by CMSA Minimum Pricing Law ¹⁰	Yes	No
Obey Ban on Self-Serve Displays of Tobacco Products	Yes	No
Sell Only Cigarettes Bearing NYS Tax Stamps	Yes	No
Criminal Arrest for Possessing Unstamped Product	Yes	No
Require ID From Customers Who Appear 24 or Younger	Yes	No
Undercover Inspections to Detect Sales to Minors	Yes	No
Monetary Fines if Caught Selling to Minors	Yes	No
License Suspension for Repeat Sales to Minors	Yes	No
Post Sign Warning That Sales to Minors Prohibited	Yes	No
Sell Only Cigarettes Meeting NYS Fire Safety Standard	Yes	No
MOTOR FUEL		
Register Underground Petroleum Tanks with NYSDEC	Yes	No
Periodically Test Underground Tanks, Report Results	Yes	No
Monitor Tanks, Maintain 10-Day Reconciliation Reports	Yes	No
Immediately Report Spills/Leaks to NYSDEC	Yes	No
Subject to NYSDEC Petroleum Inspections/Audits/Fines	Yes	No
Collect/Remit NYS and Local Taxes on Motor Fuel	Yes	No
Pumps Inspected by Sealer of Weights and Measures	Yes	No
Comply With Anti-Predatory-Pricing Law	Yes	No

RESOURCES:

¹⁰ Publication 509, Minimum Wholesale and Retail Cigarette Prices, NYS Department of Taxation and Finance: www.tax.state.ny.us/pdf/publications/cigarette/pub509_608.pdf

Tribal Sovereignty

All New Yorkers have the deepest respect for the right of Native Americans to govern themselves, and to operate commercial enterprises.

But contrary to tribal assertions, the U.S. Supreme Court has made clear their “sovereign immunity” is not absolute.

In the 1994 *Attea* case, the Court said previous rulings “make clear that the States have a valid interest in ensuring compliance with lawful taxes that might easily be evaded through purchases of tax exempt cigarettes on reservations; that interest outweighs tribes’ modest interest in offering a tax exemption to customers who would ordinarily shop elsewhere.” It went on to say New York had devised a reasonable system for collecting these taxes “without unnecessarily intruding on core tribal interests.”

The Seneca Indian Nation routinely claims that the *Attea* ruling is trumped by the Treaty of 1842, concluded at Buffalo Creek, arguing that it expressly forbids the State from imposing sales taxes on their trade with non-Indians. New York’s courts have refuted this claim, stating unequivocally that the treaty refers solely to exempting Indian *lands* from taxation.¹¹

Advocates for continued tax-free sales of gas and cigarettes portray the tribes as being completely separate from New York and exempt from its laws and regulations – “like Canada.” Yet a review of disclosure reports on file with the State Commission on Public Integrity¹² and the State Board of Elections¹³ indicates some of those tribes practice “situational sovereignty,” spending millions of dollars lobbying, and thousands of dollars making campaign contributions, to try to influence New York’s Governor and Legislature, from whose actions they claim to be immune.

The Supreme Court has held that “**sovereign immunity**” is **not absolute.**

Those who enjoy the rewards of doing business with New Yorkers **have a responsibility to abide by duly enacted standards** for conducting such commerce.

RESOURCES:

¹¹ Decision, Barry E. Snyder Sr., d/b/a as Seneca Hawk, v. James W. Wetzler, as Commissioner of Taxation and Finance of the State of New York, et al., Nov. 10, 1993: www.upstate-citizens.org/snyder-wetzler-193AD2d329.pdf

¹² NYS Commission on Public Integrity Online Lobbyist Registration System: www.nytscol.org/Menu_CQuery.asp

¹³ NYS Board of Elections, Campaign Finance Disclosure Reports: www.elections.state.ny.us/DisclosureReports.html

Foregoing enforcement because of implied threats of violent acts would amount to **succumbing to “terroristic threats”** as defined by the Anti-Terrorism Act of 2001, enacted by the Legislature following 9/11.

The Violence Card

There are vivid recollections of tires set ablaze and clashes with State Police in 1997 as Native Americans protested Governor Pataki's attempt to exercise the State's right to collect taxes on their sales of tobacco and gas to non-Indians.

The uprisings prompted Mr. Pataki to abandon the initiative. But that was before the Legislature passed, and Mr. Pataki signed, a law ordering the Department of Taxation and Finance to collect such taxes starting March 1, 2006.

If there are threats of violent protests erupting again on Native American lands, should the State hold off enforcing this statute? The answer is, “a lot has changed since 1997.”

First, New Yorkers are better informed. They understand that they, as taxpayers, ultimately have to pay more to make up for losses of legitimate tax revenue caused by their neighbors buying gas and cigarettes “tax free” at tribal stores.

Second, in the post-9/11 era, New York State has zero tolerance for intimidation as a tool for influencing public policy.

Article 490 of the Penal Law ¹⁴, known as the Anti-Terrorism Act of 2001, makes it a Class D felony to try to “influence the policy of a unit of government by intimidation or coercion” by threatening to commit certain violent crimes including, but not limited to, *assault*, *use of firearms*, or *arson*.

Thus, if threats of violence should arise from any quarter, the State has a blueprint for prosecuting the perpetrator(s) in order to protect its citizens from terrorism and preserve the rule of law.

RESOURCES:

¹⁴ New York State Penal Law, Section 490:
<http://www.nyacs.org/documents/Anti-TerrorismActof2001.pdf>

Economic Clout

A number of Native American tribes point to the major economic benefits of their casino, smoke shop and other business enterprises as a reason for the State not to implement the cigarette tax collection law.

For example, the Seneca Indian Nation claims its commercial empire contributes over \$1 billion a year to the Western New York economy.

Good for them. But let's put things in perspective.

First, their casinos generate most of that economic activity. With all due respect to the Senecas, if the Man in the Moon had instead been granted the exclusive, no-bid franchise to operate gambling casinos in Western New York, arguably he would now be contributing \$1 billion annually to the region's economy.

The point being that the rights to these gaming facilities were bestowed by the State of New York and the U.S. Department of the Interior. The tribes did not organically create them.

Second, all New Yorkers genuinely appreciate the economic contributions of the Oneida Indian Nation in Central New York, the Seneca Indian Nation in Western New York, and the Mohawk Indian Nation in the North Country.

They also value the economic contributions of IBM, General Electric, Kodak, Wegman's Food Markets and other Fortune 500 companies.

Being an economic force, however, does not excuse any entity from abiding by duly enacted standards for conducting commerce with New Yorkers – and that includes taxation of non-Indian customers.



The smoke-shop jobs that the Seneca Indian Nation claims

would be lost if the State were to enforce the tax collection law would not evaporate.

Instead, **those jobs would return to the tax-collecting side of the street**, where they existed before the tax evasion stampede began.¹⁵

RESOURCES:

¹⁵ "The Labor Market Effects of a Uniform Imposition of Cigarette Excise Taxes in New York State," January 2004, Ridgewood Economic Associates:
www.nyacs.org/documents/OConnorjobsstudy2004.pdf

“Enormous profits that can be made **smuggling cigarettes into New York** have lured smalltime crooks, mobsters, street gangs, and terrorists into the racket.”

Smuggler’s Paradise

“The illicit trafficking of tobacco is a multibillion-dollar business today, fueling organized crime and corruption, robbing governments of needed tax money, and spurring addiction to a deadly product,” says the Center for Public Integrity.¹⁶ “So profitable is the trade that tobacco is the world’s most widely smuggled legal substance. This booming business now stretches from counterfeiters in China and renegade factories in Russia to Indian reservations in New York and warlords in Pakistan and North Africa.”

“New York’s high cigarette taxes have spawned a massive black market that has diverted billions of dollars from legitimate businesses and governments to criminals,” wrote Patrick Fleenor, former senior economist at the Joint Economic Committee of Congress.¹⁷

“More troubling than the financial losses is the crime associated with the city’s illicit cigarette market. The enormous profits that can be made smuggling cigarettes into New York have lured smalltime crooks, mobsters, street gangs, and terrorists into the racket. Those criminals have engaged in a host of violent activities, including murder, kidnapping, and armed robbery, to earn and protect their illicit profits. Such crime has frustrated law enforcement...and exposed regular citizens, such as truck drivers and retail store clerks, to violence.”

“This is a very serious homeland security issue, one that has gone unnoticed for far too long,” said Congressman Peter King of the House Committee on Homeland Security¹⁸ in April 2008. “Cigarette smugglers are able to generate millions of dollars in illegal profits, with a great deal of this wealth being sent to terrorist groups...that would like nothing more than to inflict devastating harm on our country and its citizens.”

RESOURCES:

¹⁶ “Tobacco Underground: The Booming Global Trade in Smuggled Cigarettes,” October 19, 2008: www.publicintegrity.org/investigations/tobacco/pages/introduction/

¹⁷ “Cigarette Taxes, Black Markets, and Crime Lessons from New York’s 50-Year Losing Battle,” by economist Patrick Fleenor in *Policy Analysis*, published by the Cato Institute, February 6, 2003: www.cato.org/pubs/pas/pa468.pdf

¹⁸ “Tobacco and Terror: How Cigarette Smuggling is Funding our Enemies Abroad”: http://chs-republicans.house.gov/list/hearing/homeland_rep/cigarettesmuggling.pdf

Added Fire Danger

Some of New York's Native American tribes have capitalized on their enormous influx of tax-dodging non-Indian cigarette customers to convert many of them from national brands to Native American-manufactured brands.

One such brand, "Seneca," has rapidly become one of the top 10 selling brands in New York State. Five years ago, its market share didn't even rank in the top 50.



NYACS estimates that at least 2.5 million cartons of Native American-made cigarettes are now sold in New York to non-Indian customers annually.

The majority of these brands do not comply with New York's fire safety law, which requires all cigarettes sold in the state to have "low ignition propensity" (LIP), meaning they must be certified by the manufacturer as being capable of self-extinguishing if not smoked.¹⁹

Consequently, neighborhoods across the state are being flooded with hundreds of millions of cigarettes that pose a higher danger of causing a fire, thwarting the intent of the fire safety law and jeopardizing the lives and homes of New York families.

Furthermore, most Native American cigarette manufacturers do not participate in the Master Settlement Agreement between the states and the major tobacco companies. As their non-MSA brands capture New York market share from the brands of MSA participating companies, New York State risks a drop in its share of tobacco settlement payments under this program, based on the MSA formula for calculating those payments.

Neighborhoods are being flooded with hundreds of millions of cigarettes that **pose a higher danger of causing a fire**, thwarting the intent of New York's fire safety law and jeopardizing the lives and homes of thousands of New York families.

RESOURCES:

¹⁹ List of cigarettes certified by manufacturers as meeting NYS fire safety standard, 5/6/08, New York State Office of Fire Prevention and Control: www.dos.state.ny.us/fire/pdfs/cigaretteweb508.pdf

The Department's posture brings to mind "Otis" on the old Andy Griffith TV show.

He has locked himself in the local jail, but whenever he wants, he can reach through the bars, take the keys off the wall, and let himself out.

Likewise, the Department has the key, but *chooses* not to use it.



The Injunction

The Department of Taxation and Finance claims it is "enjoined" from fulfilling its obligation to collect taxes on cigarettes and gas purchased by non-Indian customers at tribal stores.

In reality, the Department has chosen to enjoin *itself*. The supposed shackles are a convenient illusion used to rationalize its policy of non-enforcement.

On January 2, 2007, in the Day Wholesale case,²⁰ State

Supreme Court Justice Rose Sconiers issued a preliminary injunction barring the "State of New York" from enforcing the cigarette tax collection law until the Department, as required by statute, issues tax-exemption coupons to the tribes to preserve the tax exemption on Indian sales to other tribal members.

The remedy was obvious. The Department, at its will, could go ahead and implement the law by issuing the tax-exemption coupons to the tribes. Indeed, then-Governor Spitzer said the decision could be "rendered

moot" by taking that step.

The Sconiers decision dealt solely with cigarettes – not the separate section of the law requiring tax collection on tribal sales of motor fuel to non-Indian customers. Yet the Department isn't enforcing collection of those taxes either.

It's bad enough that the Department refuses to execute a duly enacted statute to the detriment of taxpayers, small businesses and public health. It should stop adding insult to injury by inventing excuses for its failure to act.

RESOURCES:

²⁰ Memorandum Decision, Day Wholesale Inc. and Scott B. Maybee v. the State of New York, Eliot Spitzer, Attorney General of the State of New York, and David Weinstein, an Assistant Attorney General, January 2, 2007:

www.nyacs.org/Sconiersinjunction1-2-07.pdf.pdf

Summary

- Rampant, State-sanctioned cigarette tax evasion is squandering billions in tax revenue, starving tax-collecting small businesses, undermining anti-smoking initiatives, and feeding a black market that benefits criminals and terrorists.
- This tax evasion epidemic has intensified since the June 2, 2008 excise tax hike, chasing even more smokers to outlets that are beyond the reach of State regulations designed to safeguard public safety and health.
- If the State were collecting taxes on tribal sales of cigarettes to non-Indian customers, it would yield \$600 million to \$1 billion annually in additional revenue at a time when our State faces its biggest budget deficit in history.
- Respect for Native American tribes, traditions and trade is universal. But objective analysis of supposed justifications for the State's inaction on the tax collection issue – "sovereign immunity," obscure treaties, the tribes' economic clout, and fear of violent protests – reveals them to be exaggerations and excuses rather than valid reasons.
- The U.S. Supreme Court ruled 9-0 that New York State is entitled to collect taxes on cigarettes and gas purchased by non-Indian customers from tribal enterprises. With then-Senator Paterson voting in the affirmative, the State enacted on March 1, 2006, a law to exercise this right. The Tax Department is shamefully refusing to enforce it.
- Every day of inaction costs New York another \$2 million or more in lost revenue, pushes another mom-and-pop store to the brink of extinction, and prolongs the deadly habit of tens of thousands of smokers who would otherwise quit if forced to confront the higher tax-included price.
- New York can no longer bear the punishing fiscal toll and devastating economic and public health consequences of the cigarette tax evasion stampede.

INACTION IS NO LONGER AN OPTION.

Governor Paterson must address this issue NOW.

The fiscal, economic, public health, homeland security, fire safety, and constitutional repercussions are too perilous to allow the cigarette tax evasion epidemic to persist.

Solving this issue may not be easy.

Principled leadership seldom is.

About NYACS

The New York Association of Convenience Stores is a private, not-for-profit trade organization serving the state's 7,700 neighborhood mini-marts and convenience stores, many of them independent, family-run enterprises.

Headquartered in Albany, NYACS has led the fight for fair and equitable collection of taxes on retail sales of cigarettes and motor fuel, two key product categories for the typical convenience store.

NYACS strives to lead, safeguard, and forge a favorable environment for convenience stores from Hamburg, Erie County, to Hempstead, Long Island.

NYACS Board of Directors

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Albert Smith

Shortstop Deli, Ithaca NY

Devin Spencer

Riverside Gas & Oil, Queensbury NY

Peter Tamburro

Nice N Easy Grocery Shoppes, Canastota NY

James Calvin

President, NYACS, Albany NY

New York's diverse convenience store industry serves nearly **9 million customers per day.**

New York State C-stores collect an estimated \$2.5 billion per year in tax revenue for state and local government, and provide 60,000 jobs.

New York Association of Convenience Stores

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