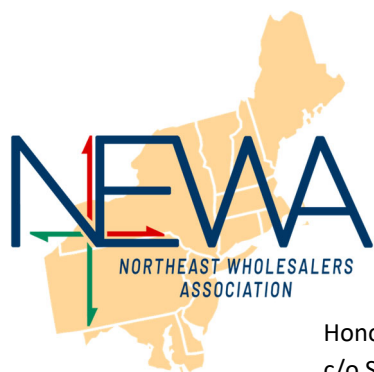




Honorable Members of the New Hampshire House Ways & Means Committee  
c/o State House  
107 North Main Street  
Concord, NH 03301

Dear Chair and Members of the Committee,

**President**

*Kyle Feldman*  
National Convenience  
Distributors  
Farmingdale, NY

I write on behalf of the Northeast Wholesale Association to respectfully express our strong opposition to HB 1596, which seeks to increase the cigarette excise tax from \$1.78 to \$2.80 per pack. The proposed tax hike is unnecessary and poses significant economic and enforcement challenges.

**Vice President/  
Comptroller**

*Barry Margolis*  
Cooper-Booth  
Wholesale  
Mountville, PA

**1. Risk of Illicit Market Growth and Cross-Border Leakage**

Imposing an additional \$1.02 per pack would drastically shrink the tax advantage versus neighboring states. Consumers will always find a way to get their preferred product at the cheapest price. This stark differential will likely fuel increased cross-border purchases and smuggling, undermining state revenue projections.

**2. Harm to Small Businesses**

Local wholesalers (many of whom our association represents) and retailers already feel the pressure of high tabs. Another \$1+ per pack increase will further suppress sales volume, put margins at risk, and threaten local business viability.

**Vice President**

*Mike Kelley*  
Core-Mark  
Gardiner, ME

**3. NH Liquor Commission Tobacco Products Reporting Has Yielded a Substantial Excise-Tax Windfall**

These mandatory disclosures have translated into robust excise tax revenue. During the first month and a half, the NH Liquor Commission has generated more than \$1 million of additional tax revenue.

**Executive Director**

*VJ Mayor, CAE*  
NEWA  
Portland, ME

The state of New Hampshire is already realizing full excise revenue potential under current law, aided by comprehensive and effective reporting systems for manufacturers, wholesalers, and retailers. As such, the proposed \$1.02 tax hike lacks justification and would only amplify avoidance, illicit trade, and economic strain on our small business community.

**Board Director**

*Neftali Garcia*  
Contoocook, NH

We respectfully urge you to vote “no” on HB 1596 and focus instead on reinforcing existing compliance and enforcement mechanisms — ensuring continued revenue without raising rates or risking unintended consequences.

Thank you for your attention to this important matter.

Sincerely,

VJ Mayor, CAE