

Background & Methods

E-cigarettes have become increasingly popular globally, with sales reaching US \$21.2 billion in 2020.¹

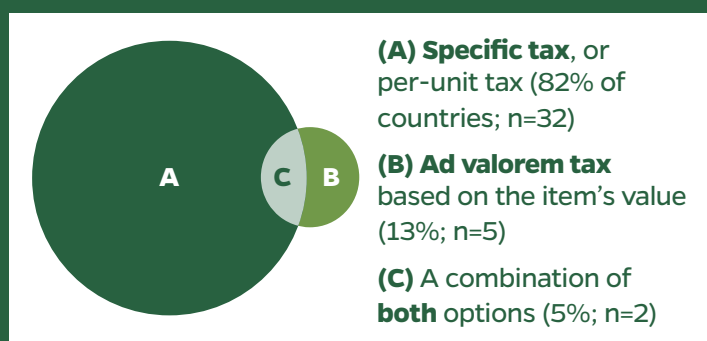
These devices vaporize a liquid solution that usually contains nicotine, flavorings, and other chemicals.

We examined national-level e-cigarette excise taxation policies worldwide based on information available in the Institute for Global Tobacco Control's Policy Scan,² World Bank reports,³ European Policy Information Center,⁴ and Tax Data Center,⁵ as of July 2022. We collected the type of excise tax, the tax base, and any relevant details.



Key Findings

We identified **39** countries or jurisdictions that have enacted e-cigarette excise taxes, and **three** different options for imposing these taxes:



Of the 34 countries that levy a *specific* tax, the majority (74%; n=25) levy the tax with a **fixed rate** based on liquid volume, which **varies greatly** from place to place.

High: \$1.38 USD per mL

Majority: < \$0.50 per mL

Low: \$0.01 per mL

Some countries impose a **variable rate** excise tax, imposing **higher rates based on specific product traits.**

Conclusions

This study presents the landscape of e-cigarette excise tax policies worldwide. Among 39 countries/jurisdictions that levy excise tax on e-cigarettes, a majority of them (64%; n=25) impose a specific tax with a fixed rate based on liquid volume. The tax rate varies greatly across countries. Some countries consider device and liquid characteristics when imposing taxes on e-cigarettes and apply higher tax rates on closed systems, nicotine salt liquids, and liquids with higher nicotine concentrations. One limitation is that sub-national and e-cigarette tax policies reported after July 2022 are not included.

Access a manuscript based on this study, published in *Tobacco Induced Diseases*: doi.org/10.18332/tid/171353

References:

1. Euromonitor International Limited. *E-Vapour Products in World*. [restricted access].
2. Institute for Global Tobacco Control. (2022). *Country laws regulating e-cigarettes*.
3. Marquez, Patricio V.; Krasovsky, Konstantin; Andreeva, Tatiana. 2017. *Mozambique: Overview of Tobacco Use, Tobacco Control Legislation, and Taxation*. WBG Global Tobacco Control Program; © World Bank, Washington, DC. License: CC BY 3.0 IGO.
4. *Nanny State Index*. (2021). Cyprus 2021.
5. *Vapor Products Tax*. (2019). Tax Data Center.