SCHIP Impact on PTIC

1. **SCHIP Ramifications**
   a. Raised federal excise taxes on little cigars over 2,400% ($.36 a carton to $10.00 a carton) and on large cigars from 20.719% (cap 4.875 cents) of wholesale price to 52.75% (cap 40.26 cents).
   b. Impact on Customer for little cigars. Raises price for Federal excise taxes $.05 per stick, $.50 per 10-pack and $1.00 per 20-pack.
   c. Increases Federal excise taxes payable on the 15th and last day of month from approximately $100,000 per payment to $1,000,000 per payment.

[redacted]

2. **Action items taken at PTIC**

[redacted]

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SCHIP Impact on PTIC

[redacted]

p. Promote sale of large cigars in certain markets.
q. Introduce new line of Rillos imported cigars from the Dominican Republic.

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