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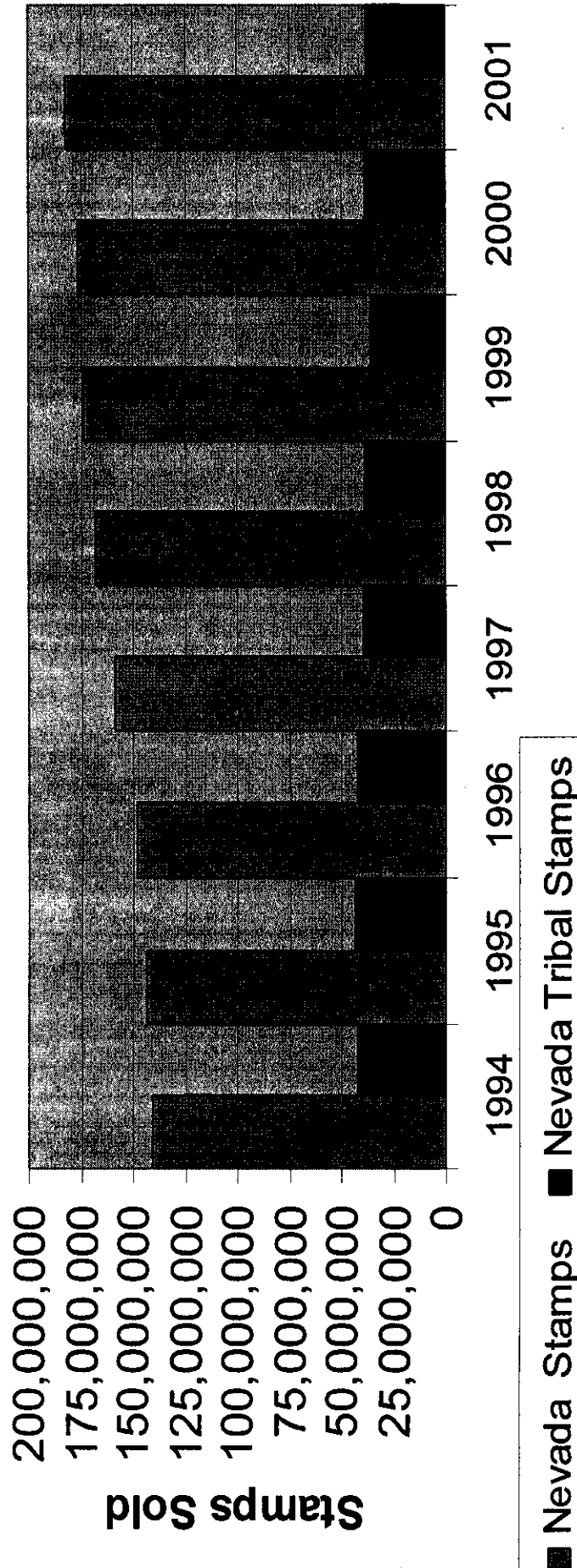
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Cigarette Excise Tax Stamps Sold

The tribal market share decreased 10.5% since 1994 while state-licensed stores increased 29.1%.



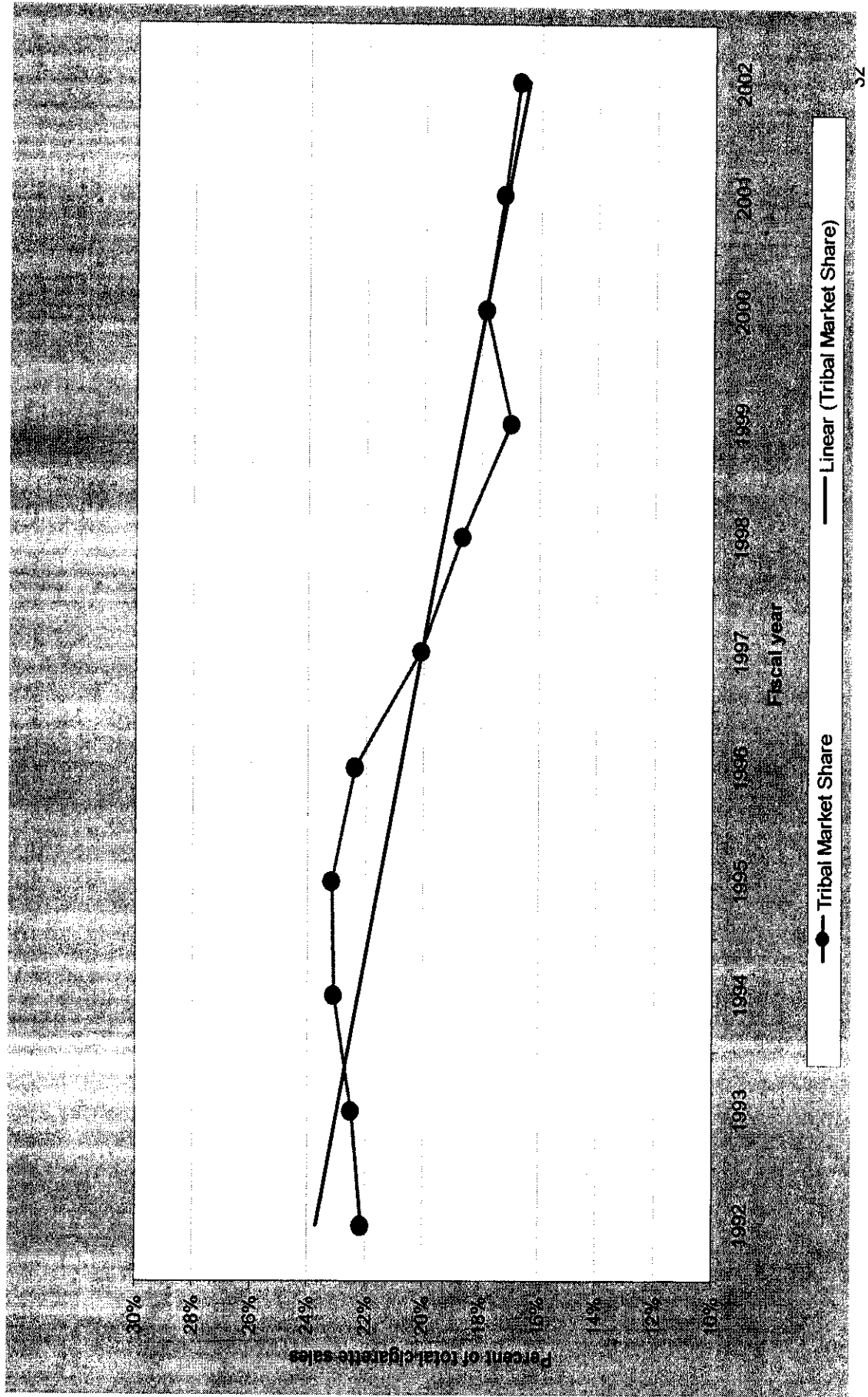
SOURCE: Nevada Department of Taxation, Comparative Analysis: Cigarette Tax Stamps Sold vs. Tribal Stamps Sold, November 2001.

WHY?

The decline stemmed from a threat of suit by the convenience stores that objected to the favorable shelf contracts exclusively offered to high volume cigarette outlets (including smoke shops). This threat disappeared when these shelf contracts were offered to convenience stores...

H2A4

Tribal Market Share is at a 10-Year Low



SOURCE: Nevada Department of Taxation, Comparative Analysis: Cigarette Tax Stamps Sold vs. Tribal Stamps Sold, November 2001.

OBJECTION #4:

If excise tax is raised, will the tribes get an unfair advantage or will they get a significantly larger market share?

No, the tribal/state agreements prohibit any tax related advantage.

Tribal/state intergovernmental agreements require tribes to charge "equal or greater taxes" (NRS 370.515)

What about market share?