

The Louisville Municipal Code (LMC) exempts the purchase of cigarettes from its sales and use tax.

The definition of a cigarette means that as defined in Colorado Revised Statutes Section 39-28-202(4)(a):

“Cigarette” means any product that contains nicotine, is intended to be burned or heated under ordinary conditions of use, and consists of or contains: (I) Any roll of tobacco wrapped in paper or in any substance not containing tobacco; or (II) tobacco, in any form, that is functional in the product, which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette; or (III) any roll of tobacco wrapped in any substance containing tobacco that, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (I) of this paragraph.

The sales of cigars, chewing tobacco, pipe tobacco, snuff, e-cigarettes or other similar products are subject to Louisville sales and use tax. Tax may be included as part of the selling price for any of these taxable items if they are sold through vending machines.

Examples

Louisville Resident A purchases a pack of cigarettes from a Louisville grocery store. No Louisville sales tax is due on the purchase.

Louisville Business Owner B purchases a (5) boxes of cigars from an internet smoke shop. No sales tax is charged on the purchase which is delivered to Louisville. Business B would owe use tax on the purchase price of the cigars to the City.

A person purchases a carton of cigarettes and a can of Skoal from a Louisville gas station. The retailer should charge Louisville sales tax on the can of Skoal; the cigarettes are exempt from City sales tax.

The information contained in the Tax Guide publications is intended to offer general guidance in layman’s terms, for this topic, industry or business segment, and is not intended for legal purposes to be substituted for the full text of the Louisville Municipal Code rules and regulations. This guide does not constitute a city tax policy.