Guidance for Tobacco and Vapor Product Manufacturers, Wholesalers, Distributors, and Retailers Regarding New Price Reduction Instrument Restrictions

New restrictions on selling or distributing tobacco and vapor products became effective July 1, 2020. This document is intended to provide a guide to comply with the new law.

What has changed?

Public Health Law (PHL) § 1399-bb prohibits retailers and others from distributing coupons redeemable for tobacco products or herbal cigarettes. Effective July 1, 2020, the prohibitions imposed by PHL § 1399-bb was amended to also prohibit the distribution and acceptance of price reduction instruments. Price reduction Instruments include any coupon, voucher, rebate, card, paper, note, form, statement, ticket, image, or other issue, whether in paper, digital, or any other form, including forms displayed on product packaging, used for commercial purposes to receive an article, product, service, or accommodation without charge or at a discounted price.

Why was the law changed?

The intent of these amendments is to limit measures that ease the accessibility of tobacco and vapor products, particularly to vulnerable populations including younger individuals and others who have not developed an addiction to nicotine.

What practices are prohibited by these changes?

Effective July 1, 2020, the following practices involving the use of price reduction instruments in the sale of tobacco and vapor products intended or reasonably expected to be used with or for the consumption of nicotine are prohibited:

- Honoring or accepting a price reduction instrument in any sale;
- Selling for less than the listed price or non-discounted price;
- Selling for less than the listed price or non-discounted price, in exchange for the purchase of any other tobacco products or vapor products (such as multi-package discounts); and
- Selling other items to a consumer for less than the listed price or non-discounted price, in exchange for the purchase of a tobacco or vapor product.

More information:

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