

Taxes on cigarette packs in Jordan

1 - impose a tax on cigarette sales as follows:

Special sales tax cut of \$ 300 fils per pack.

Special sales tax proportional rate of 102% of the value before tax.

General sales tax rate of 16% of the total value.

2 - The following example illustrates the mechanism of calculating taxes referred to above:

Sale price of the box before taxes 500 fils.

A - is collected above the sale price of the box of 500 fils, with the flat tax to arrive at 300 fils 800 fils.

B - the result is multiplied by the amount of 800 fils by 102% to arrive at 816 fils.

C - is compared with output of 816 fils, with the amount set out about the sale price of consumer choice and the highest number of them, who shall be the amount that represents the relative value of the sales tax.

D - is multiplied by the sum of items a + c by 16% general sales tax.

Maher Afaneh

Head of financial surpluses and follow-up

Ministry of Finance / Jordan