



NC Tobacco Facts

- Agriculture is the largest industry in NC with nearly \$80 billion annual value.
- Tobacco is among the top revenue crops in NC.
- Caswell and Person County, NC was the birthplace of flue-cured tobacco.
- North Carolina leads the nation in total tobacco production.
- The yearly average of the farm product value for leaf tobacco is nearly \$1 billion.
- Economists estimate the multiplier effect to 3x which suggests the farm value impact to be greater than \$2 billion annually.
- More than 2200 farmers have contracts to market tobacco.
- Estimated planted acres range between 165,000 – 180,000.
- The average size producer is less than 100 acres of tobacco.
- NC historical production is approximately 2300 pounds average per acre.
- Prevailing value for best quality leaf averaged \$2.05 per pound.
- Tobacco farming is important to agri-business sales. Production costs per acre are greater than \$3,700.00 which is ten times greater than an acre of wheat.
- Every tobacco grower is a diversified family farm with various row crops such as corn, soybean, small grain, cotton, sweet potatoes and produce as the major rotational crops. Many also have livestock included in the operation.
- Tobacco is one of the few surplus trade items the US exports.
- Tobacco means jobs in manufacturing, processing and transportation that are tied directly to its commerce in NC.
- Tobacco is the leading tax generating commodity in all of agriculture.

The tax burden on tobacco according to data from the Alcohol and Tobacco Tax Trade Bureau for year **ending June 30, 2012 was \$68,949,472,000.00** this is for federal, state and local taxes.

In addition, tobacco generates income tax, payroll tax, sales tax, estate taxes, property taxes and duty taxes. The aggregate value of these impacts is not known precisely.

- *In perspective – the taxes generated from NC grown tobacco is nearly the equivalent of the sales value of all the other agricultural crops and livestock produced and sold in the state annually.*

In a five year survey last conducted in 2010, the Center for Tobacco Grower Research at the University of TN (CTGR) survey results for the estimates of the mean number and type (family, non-family, H2-A) of workers suggest that tobacco farms hired around 33 thousand workers on a full-time basis (this included both full-time, year-round and full-time seasonal workers) and an additional 62 thousand workers on a part-time basis for all acres in the US.

Here are a few stats on U.S. tobacco manufacturing (all segments tobacco products and stemming and redrying) for 2010: (Non Farm Employment)

Number of employees:

13,690

Annual Payroll:

\$934 million

Total Value of Shipments: \$38.985 billion

Value-Added by sector:

\$32.912 billion

Value of Tobacco Production (at farm level): \$1.254 billion

These are direct impacts. Value of farm level production is from USDA-NASS. Other statistics are from the US Census Bureau Annual Survey of Manufactures.

This message brought to you by the Tobacco Growers Association of NC

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