



Illicit tobacco: From crop to shop

Unfair for honest businesses. Unfair for the community.



The journey from crop to shop



Illicit tobacco is grown by organised crime syndicates.



The syndicates sell the illicit tobacco to dodgy retail businesses and use the profits they make to fund other more serious crimes.



Retail businesses sell the 'black market' tobacco to the consumer as loose leaf tobacco, cigars or cigarettes, undercutting honest businesses and paying no tax. This creates an uneven playing field.

What is illicit tobacco?



- Tobacco grown, manufactured and/or produced in Australia.
- Imported tobacco for which no duty has been paid.
- Tobacco sold without payment of taxes.

Other terms illicit tobacco goes by

- chop-chop
- roll your own
- cheap cigarettes
- under the counter cigarettes.

The cost of illicit tobacco



1,656,000 kgs of illicit tobacco was sold between 2022–23, meaning **\$2.7 billion** went to criminals instead of supporting the community.

That's equivalent to **2,070,000,000 cigarettes**, which if laid end-to-end, would circle the earth nearly 4 times.

Signs a retailer is selling illicit tobacco



- cigarette packets, cigars or loose-leaf tobacco missing health warning labels
- strong tobacco odour despite the shop containing strongly scented items like candles and incense
- customers asking for 'cheap cigarettes' or 'under the counter cigarettes'
- customers leaving a retailer with small plastic bags, often black in colour.

Impacts of involvement in illicit tobacco



- Serious penalties including jail time, fines or a criminal conviction.
- Life impacts of a criminal conviction, including the possibility of:
 - losing your business
 - difficulty travelling overseas
 - impact on employment opportunities.

Help create a level playing field for all businesses



- Don't buy illicit tobacco products.
- Report suspicious activity and businesses.



Businesses that sell illicit tobacco are undermining the tax and super system and this means the community misses out on vital services. Making a tip-off is easy and it can be anonymous. You can report online ato.gov.au/tipoff, or phone **1800 060 062**.