

Smoke Shops

SOUTH PHILLY

OVERVIEW



Philadelphia has seen a **noticeable increase** in the number of smoke shops



From Broad and South to Front Street there are **17** smoke shops

OBTAINING A TOBACCO PERMIT

In Philadelphia, those who sell tobacco must apply for a permit. Licenses have to be renewed annually, which can be done online, the retailer must have a license from the Department of Revenue for a Cigarette License, the fees are as follows:

- **Over-the-counter retailers: $25 per location.**
- **Vending machine retailers: $25 per vending location.**
- **Wholesaler license: $500 each.**
- **Stamping agent/wholesaler licenses: $1,500 each.**

For an Other Tobacco License, the fees are as follows:

- **Retailer license: $25 per location.**
- **Vending machine license: $25 per location.**
- **Wholesaler & Manufacturer: $1,500 per location.**



City Requirements :
Annual fee of $300

LEGISLATION TIMELINE

2019

Age of legal Tobacco purchasing increased from 18 to 21

- Tobacco Retailer Permit Law (2019)
- No tobacco products within 500ft (approx. 2 blocks) of schools K –12, playgrounds, rec centers, or libraries
- Limits the number of permits available in certain areas of the city

Number of permits capped except for the Central district

2020

City license increased by $250



2021

Smoke-free air Act (2021)

- Prohibits smoking and vaping in enclosed public spaces and within 20ft of entrances of these establishments
- Fines for establishment and the smoker (up to $100 for individuals and $2000 for businesses)

2025

- In 2025, City Council passed a bill requiring any store changing from a grandfathered use to a new use to obtain a zoning variance.
- This only applies to council districts 5th, 8th, and 10th, which include neighborhoods in North Central, Northwest and Far Northeast Philadelphia
- City Resolution No. 250052 addresses recent loopholes that have arisen with enforcement and reorganizing under a new name

2026 New City Legislation

Councilmember Kathy Gilmore Richardson

City Council has introduced a new bill February 5th

This bill will add a new section to the code allowing the city to take enforcement action against commercial landlords who knowingly allow illegal smoke shops to operate in their spaces. The city would provide notice to a landlord when it cites a business for illegal tobacco sales. If the illegal sale of tobacco continues and the landlord takes no action to stop it, the city would be able to enforce against the commercial owner.

The city identified other issues that still need to be addressed

- Enforcement issues
- The city hasn’t updated the capacity of tobacco enforcement and district caps are set by the city health department



NEW YORK LEGISLATION

N.Y. Cons. Laws, Cannabis Law – CAN §61-89 (Adult-Use Cannabis)

- Regulates adult use cannabis in New York, including the licensing of processors, cooperatives, and retail dispensaries. Retail dispensaries are not allowed to open within 500 feet of a school and 200 feet of a house of worship.

Assembly Bill A8741 & Senate Bill S8278 (2025-2026)

- This bill would amend the Cannabis Law to require that those with an adult-use retail dispensary license could not open within 1,000 feet of another licensee in a municipality with a population of at least 20,000 and within 2,000 feet of another licensee in a municipality with a population of less than 20,000. There would be a waiver and appeals process.



OPTIONS



Tobacco Licenses and Other Licenses Radius

State Cigarette Licensees could not open within a set number of feet of certain spaces and a set number of feet of other licensees.



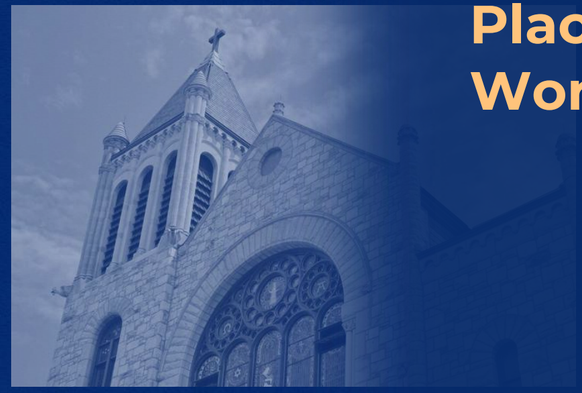
Tax Credits/ Grant Incentive

Give State grants or tax credits towards businesses or smoke shops that sell fresh foods



Daycare Radius

We can expand the Tobacco Retailer Permit Law (2019) to include Daycares and Places of Worship in the 500ft limitation



Places of Worship Radius

TOBACCO LICENSES AND OTHER LICENSES RADIUS

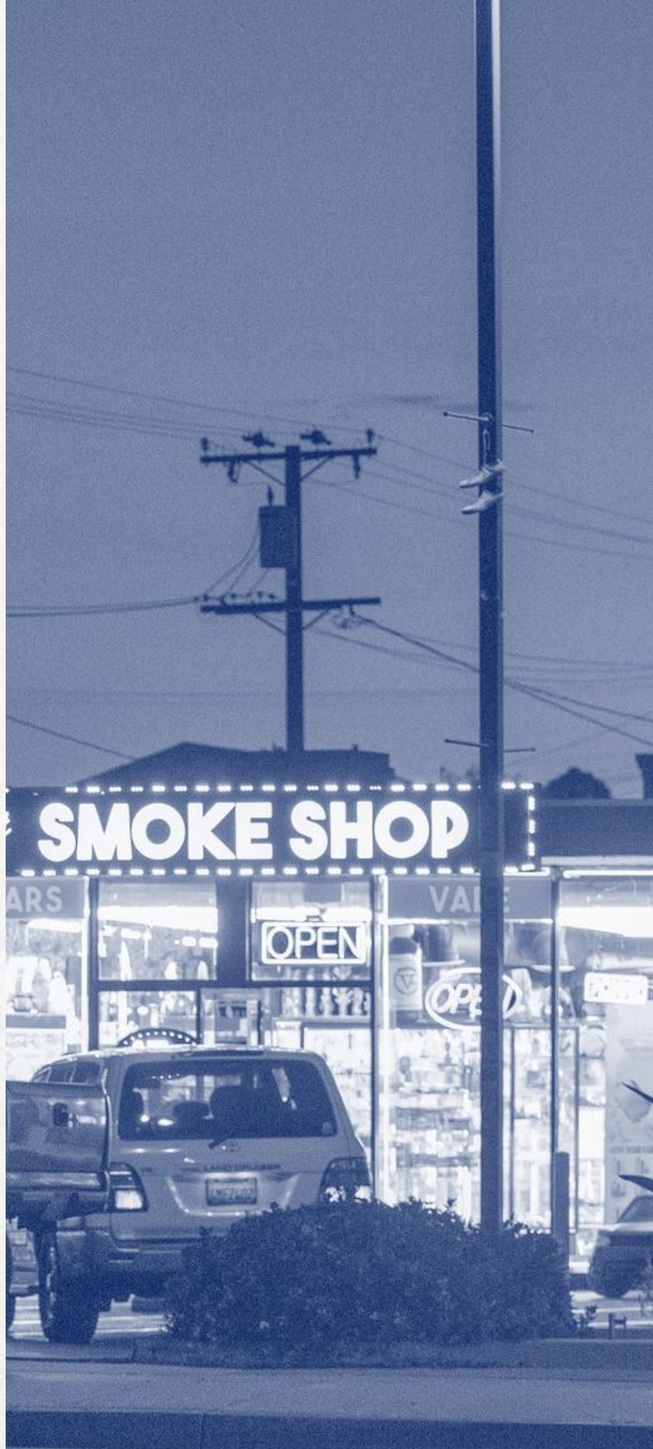
State Cigarette Licensees could not open within a proportional distance to other cigarette licensees. New Yorks model would require a distance of at least 1,000 feet between licensees in municipalities with a population of at least 20,000 and at least 2,000 feet between licensees in municipalities with a population of less than 20,000

PROS

Limits the number of new smoke shops that could open in relation to each other

CONS

Only applies to new licenses, would have no impact on the current smoke shops



DAYCARE RADIUS & PLACES OF WORSHIP RADIUS

State Cigarette Licensees could not open within a set number of feet of certain spaces, based on the current requirements of the Liquor Code for Hotel, Restaurant, and Club Liquor Licenses.

PROS

- It limits new smoke shop locations
- Reduces youth exposure to tobacco products

CONS

- Only applies to new licenses, would have no impact on the current smoke shops



TAX CREDIT / GRANT INCENTIVE

Businesses such as smoke shops are generally exempt from having to obtain a retail food facility license. The Philadelphia Department of Public Health issues Food Establishment Retail Licenses for businesses that sell food, including grocery stores and convenience stores. Smoke shops would be unable to apply for a tax credit, grant or other incentive program for the sale of produce or other foods unless they substantially change their business model and apply for licensure by the Philadelphia Department of Public Health.

PROS

- May incentivize different types of stores to move into the neighborhood
- May incentivizes smoke shops to appeal to the greater community

CONS

- Smoke Shops would have to substantially change their business model and apply for licensure
- May incentivize members of the community to frequent smoke shops because of more options
  - Increasing exposure to tobacco products
- Opposition from established stores who might not be eligible for the tax credit/ grant



DISCUSSION...