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City's roll-your-own cigs biz goes up in smoke

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City lawyers have made a deal that will snuff out the city's first roll-your-own cigarette shops.

The pact will force the two shops — one in Chinatown, the other on Staten Island — to close by Feb. 1, and the owners have promised never to get in the business again. In exchange, the city will not press its lawsuit for back taxes.

“Our primary concern was to nip this practice in the bud. We were less concerned about how much taxes were evaded,” said Eric Proshansky, the city’s lead lawyer on the case.

The owners, who had a license to sell tobacco, have been selling paper tubes and loose tobacco, which are taxed at a much lower level than prepackaged cigarettes.

They allowed customers to use machines on their premises that stuffed the tobacco into the tubes.

Proshansky said the result was a “noisy, coffeehouse environment” as smokers lounged around waiting for the machines to do their work. A carton of cigarettes could take 45 minutes to make and cost \$35 instead of the \$100 charged for prepackaged cartons.

Shuttering the two shops, owned by Island Smokes, doesn’t solve the city’s problem. Proshansky said that since Island Smokes opened its first shop on Staten Island in April, five other “roll your own” shops have popped up: three on Staten Island and two in south Brooklyn.

The city has ordered them to close, but if they don’t, they too will be sued, he said.