

**PROSPECTUS SUPPLEMENT NO. 3 DATED MARCH 7, 2005
(to prospectus dated January 19, 2005)**

VECTOR GROUP LTD.

**5% Variable Interest Senior Convertible Notes due November 15, 2011
and
Common Stock Issuable upon Conversion of the Notes**

This prospectus supplement supplements the prospectus dated January 19, 2005 of Vector Group Ltd. relating to the sale by certain of our securityholders (and their transferees, pledgees, donees and successors) of our 5% Variable Interest Senior Convertible Notes due November 15, 2011 and the common stock issuable upon conversion of the notes. You should read this prospectus supplement in conjunction with the prospectus, and this prospectus supplement is qualified by reference to the prospectus, except to the extent that the information in this prospectus supplement supercedes the information contained in the prospectus.

The table of selling securityholders contained on pages 53 to 59 of the prospectus is hereby amended to add the following additional selling securityholders.

<u>Name</u>	<u>Principal Amount of Notes Beneficially Owned that May Be Sold</u>	<u>Percentage of Notes Outstanding</u>	<u>Number of Shares of Common Stock Beneficially Owned Before This Offering</u>	<u>Number of Shares of Common Stock that May Be Sold Pursuant To This Prospectus (1)</u>	<u>Number of Shares of Common Stock Beneficially Owned After this Offering</u>	<u>Percentage of Common Stock Outstanding (2)</u>
Citigroup Global Markets Inc. (3)	\$4,780,000	5.8%	0	244,251	0	*

* Less than 1%.

- (1) Assumes conversion of all of the securityholders' notes at a conversion price of \$19.57 per share of common stock. The conversion price is subject to adjustment as described under "Description of Notes-Conversion Rights" and, as a result, the amount of common stock issuable upon conversion of the notes may increase or decrease in the future.
- (2) Calculated based on Rule 13d-3(d)(i) of the Exchange Act using shares of common stock outstanding as of March 4, 2005. In calculating this amount, we treated as outstanding the number of shares of common stock issuable upon conversion of all of that particular securityholder's notes. We did not assume, however, the conversion of any other securityholder's notes.
- (3) The selling securityholder is a subsidiary of Citigroup Inc. The selling securityholder has informed us that (i) it is a registered broker-dealer, (ii) it purchased the securities in the ordinary course of business, and (iii) at the time of purchase, the selling securityholder had no agreements or understandings, directly or indirectly, with any person to distribute the securities.

Investing in the notes and our common stock involves risks, which are described under "Risk Factors" beginning on page 14 of the prospectus.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus supplement is March 7, 2005.