

States' efforts to boost cigarette taxes slows: CDC

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Agency says more can be done to raise the cost of smoking, which is known to boost quit rates.

(HealthDay) -- Although eight states boosted their sales taxes on cigarettes over the past two years, that's a decline in the number of such increases by states compared to 2009, a new report from the U.S. Centers for Disease Control and Prevention shows.

One thing that <u>smoking prevention</u> experts know from accumulated data is that smoking rates decline as cigarette prices go up, the <u>CDC</u> said.

"Increasing cigarette excise taxes directly increases the price of cigarettes, thereby reducing the demand for cigarettes and, ultimately, smoking-related death and disease," the report's authors wrote in the



March 29 issue of the CDC journal *Morbidity and Mortality Weekly Reoprt*.

However, between 2010 and 2011, eight states (Connecticut, Hawaii, New Mexico, New York, South Carolina, Utah, Vermont and Washington) boosted cigarette taxes, compared to 15 states that had done so in 2009, the report noted.

Overall, the national average cigarette excise tax in the United States has risen -- from \$1.34 per pack of 20 cigarettes in 2009 to \$1.46 per pack in 2011. At the end of 2011, taxes ranged from a high of \$4.35 per pack in New York to a low of 17 cents per pack in Missouri.

New York charted the steepest rise in cigarette taxes over the past two years, pushing up the price by \$1.60 per pack.

Cigarette taxes rose even in major tobacco-growing states: The mean cigarette tax in six major tobacco growing states (Georgia, Kentucky, North Carolina, South Carolina, Tennessee, and Virginia) increased from 40 cents a pack in 2009 to 49 cents a pack in 2011, the report found.

Not all states' tax changes were increases, however: In 2011, New Hampshire decreased its cigarette excise tax by 10 cents per pack. It was the first time since 2004 that a state had decreased its cigarette excise tax.

In some states, cigarette <u>tax rates</u> haven't budged for years, the CDC said. California, Missouri and North Dakota remain the only states that have not increased their state cigarette excise taxes since 2000. Missouri and North Dakota have not raised their state cigarette excise taxes since 1993, and California has not raised its cigarette excise tax since 1998.



States that forgo raising <u>cigarette taxes</u> may also be missing out on a good source of revenue, the CDC noted.

"In addition to reducing smoking rates, cigarette excise tax increases have been shown to increase state revenue despite consumption declines, increases in the number of smokers quitting and any increase in smuggling or tax avoidance," the CDC said in an editorial. These added funds, "can provide a revenue source to fund and expand comprehensive state tobacco control programs."

According to the CDC, channeling tax revenues to tobacco control efforts can be a money-saver for <u>states</u>. For example, the agency noted, "during the first 15 years of the California <u>tobacco control</u> program, the state invested \$1.8 billion in cigarette excise tax revenue in the program, resulting in \$86 billion in health care cost savings."

More information: The American Lung Association has more about <u>preventing smoking</u>.

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