

China mulling cigarette tax increase to curb smoking

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China's government is likely to raise cigarette taxes in order to boost prices and deter smoking, an official said Wednesday, amid a push by the nation of 300 million smokers to crack down on the habit.

The National Health and Family Planning Commission is joining with other government agencies to lobby for an increase in tobacco taxes, commission spokesman Yao Hongwen was quoted as saying by the official Xinhua News Agency. Reforms to China's tax and fiscal controls provide a "rare chance to take advantage to raise [tobacco taxes](#) and prices for tobacco control," Yao said.

Tobacco taxes were raised in 2009 but not by enough to affect the prices. Tobacco companies absorbed the increase, and the change didn't have the desired effect of discouraging smoking.

Packs of cigarettes in China cost as little as \$1 or \$2 for low-end brands, compared with prices that range from \$5 to \$15 in the United States.

Xinhua gave no specifics about a rise in taxes, but Yao's comments come as China is showing new determination to discourage smoking. While cigarette sales account for a significant chunk of government revenue, smoking is taking an increasing toll on the nation's health and the overall economy.

The city of Beijing took the lead last month by announcing a ban on all indoor smoking to take effect next June, backed by heavy fines.

The central government has drafted a similar nationwide ban that would strengthen bans on advertising, mandate more prominent health warnings on packaging and limit the portrayal of [smoking](#) in movies and on television.

About 740 million Chinese are exposed to second-hand smoke, and lung cancer kills more than 1.3 million people in the country each year, one-third of the global total, according to the World Health Organization.

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