

Beijing raises cigarette tax to deter smoking

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China will more than double the tax on tobacco to 11 percent, the government announced Friday, as authorities try to deter smoking in the world's largest producer and consumer of tobacco.

"The cigarette wholesale sector will raise tax from five percent to 11 percent," a statement on the website of China's [foreign ministry](#) said.

The increase will come into effect on Sunday, the statement said, without giving reasons behind the move. It was not clear whether it will be passed on to consumers—the industry absorbed a previous tax raise in 2009.

China has more than 300 million smokers, who consume more than a third of the world's annual cigarette production.

The World Health Organization (WHO) has said 52.9 percent of Chinese men smoke — among the highest rates in the world—and has called for stronger action from Beijing on the issue.

Its representative in China, Bernhard Schwartlaender, this year said that "strong political commitment is needed, along with steely determination, to stare down interference from the vested interests of the [tobacco industry](#)".

The industry is a massive contributor to the Chinese state, generating 911 billion yuan (\$146 billion) in taxes and profits in 2014, an increase of 12 percent year-on-year.

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