

Predicted impact of different alcohol taxation and pricing policies on health inequalities

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Alcohol-content-based taxation or minimum unit pricing (MUP) are both predicted to reduce health inequalities more than taxation based on product value (ad valorem taxes) or alcohol tax increases under the current system (excise duty plus value added tax) in England, according to research published this week in *PLOS Medicine*. Petra Meier of the University of Sheffield, United Kingdom, and colleagues, used the Sheffield Alcohol Policy Model (SAPM), to estimate how price changes would affect individual-level alcohol consumption and how consumption changes affect the illnesses and deaths associated with 43 alcohol-attributable conditions.

Professor Meier and colleagues used the SAPM to simulate the impact of four different alcohol taxation and pricing policies: increasing tax under the current system, value-based taxation, alcohol-content-based taxation, and minimum unit pricing, each scaled to produce the same population-wide 4.3% decrease in alcohol-related mortality. They found that impacts of policy changes on moderate drinkers were small, regardless of socioeconomic group. However, among heavy drinkers, alcohol-content-based taxation and MUP were predicted to cause greater decreases in alcohol-attributable mortality among lower income groups (6.1% and 7.8% for alcohol-content-based taxation and MUP), compared to mortality decreases under the current policy or ad valorem taxes (of 3.2% and 2.9%, respectively). Among heavy drinkers in the highest socioeconomic group the effects on mortality rates were small

(-1.3%, -1.4%, +0.2%, and +0.8% for increases in current duty rates, ad valorem tax, alcohol-content-based taxation and MUP, respectively).

Due to an absence of evidence, the researchers were not able to measure the impact of any tax avoidance, which could potentially vary between the policies. However, the authors conclude that "If achieving reductions in [health inequalities](#) is a priority, then the two policy options that target cheap, high-strength alcohol—minimum unit pricing and volumetric taxation—outperform ad valorem [taxation](#) and increasing the current UK tax."

They also note the added value of specifically decreasing heavy drinking behaviour: "Importantly, unlike other tax options, these two policies target harmful drinking without at the same time targeting those in poorer population groups who do not engage in harmful drinking behaviour."

More information: Petra S. Meier et al. Estimated Effects of Different Alcohol Taxation and Price Policies on Health Inequalities: A Mathematical Modelling Study, *PLOS Medicine* (2016). [DOI: 10.1371/journal.pmed.1001963](#)

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