

Lower Tobacco Taxes: Dangerous for Public Health



Tobacco is an addictive and deadly product and tobacco use remains the nation's number one cause of preventable death. Cigarette smoking and exposure to secondhand smoke cause approximately one out of every five deaths in the U.S., more than 480,000 premature deaths each year.^{i,ii} This includes at least 28 percent of all cancer deathsⁱⁱⁱ and 80 percent of lung cancer deaths.^{iv} The Surgeon General projects that without further action, 5.6 million youth age 0-17 alive today will die prematurely from smoking.^v

Despite the health risks, current rates of tobacco use remain high. After years of decline, in 2018 we saw an increase in tobacco use among youth. Largely due to the youth e-cigarette epidemic, the overall rate of tobacco use among high school students increased to 27.1 percent.^{vi}

Increasing tobacco taxes is one of the most effective ways to reduce tobacco use, especially among kids, and tobacco companies know it. Lowering the tax, and therefore the price of tobacco products is one major way for the tobacco industry to protect their bottom line, addict people with cheap products, and keep them addicted. Tobacco companies have violated civil racketeering laws and defrauded the American people by lying for decades about the health effects of smoking, manipulating their products to make them more addicting, marketing to children, and more. Letting tobacco companies draft the solution to reduce tobacco use is shortsighted.

What is a Modified Risk Tobacco Product?

The Tobacco Control Act, granting the Food and Drug Administration (FDA) authority over tobacco products, includes a provision that requires a tobacco product manufacturer to receive a marketing order before they can make a modified risk claim about that tobacco product. The reason for this provision is because the industry has lied for decades about the harm of their products. Now, a tobacco product manufacturer must prove that their product, when actually used by consumers, will benefit the health of the population, both users and nonusers, before they can make any such modified risk claim.

- The U.S. Food and Drug Administration (FDA) can authorize marketing of a modified risk tobacco product if the application demonstrates that the product will benefit the health of the population.
- Any action at the state or local level to regulate so-called modified risk tobacco products differently from cigarettes and other tobacco products (OTPs) is premature.
- Modified risk does not mean "safe." All tobacco products have health harms.
- Lowering taxes on any tobacco product reduces state tax revenue.
- States should not change state tobacco control laws to accommodate any new product marketing claims.

ACS CAN's Position

The American Cancer Society Cancer Action Network (ACS CAN) calls on lawmakers to reject any attempts to reduce or eliminate taxes on any tobacco products. ACS CAN supports a comprehensive approach to tobacco control that includes regular and significant increases in the excise taxes on **all** forms of tobacco, fully funding effective tobacco prevention and cessation programs, and creating 100% smoke-free environments. Significant tobacco tax increases:

- **Save Lives:** Regular, significant tax increases of \$1.00 or more per pack of cigarettes reduce the number of people who begin smoking and increase the number of smokers who quit. It is important to increase the taxes on other tobacco products (OTPs) to an equivalent rate to produce a meaningful reduction in tobacco consumption and tobacco-related disease and death. All OTPs should be taxed at the same rate as cigarettes to encourage people who smoke to quit.
- **Reduce Health Care Costs:** Lower tobacco use rates translate into fewer tobacco-related cancers and premature deaths, reduced spending on tobacco-related health problems, and more productive workers.
- **Generate Revenue:** Substantial increases in cigarette tax rates generate new revenue.^{vii}

ACS CAN urges lawmakers to protect kids, not Big Tobacco's profits and oppose efforts to reduce or eliminate taxes on any tobacco products, including on so-called "modified risk products." Instead, look to proven solutions that support public health and the health of state budgets.

ⁱ U.S. Department of Health and Human Services (HHS). *The Health Consequences of Smoking—50 Years of Progress: A Report of the Surgeon General*. Atlanta: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention (CDC), National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014.

ⁱⁱ CDC. QuickStats: Number of Deaths from 10 Leading Causes — National Vital Statistics System, United States, 2010. *MMWR* 2013; 62(8): 155.

ⁱⁱⁱ Islami F, Goding Sauer A, Miller KD, Siegel RL, Fedewa SA, Jacobs EJ, McCullough ML, Patel AV, Ma J, Soerjomataram I, Flanders WD. Proportion and Number of Cancer Cases and Deaths Attributable to Potentially Modifiable Risk Factors in the United States. *CA: A Cancer Journal for Clinicians*. 2018 Jan 1;68(1):31-54.

^{iv} American Cancer Society. *Cancer Facts & Figures, 2017*. Atlanta, GA: American Cancer Society, 2017.

^v HHS, 2014.

^{vi} *Vital Signs: Tobacco Product Use Among Middle and High School Students — United States, 2011–2018*. *Morbidity and Mortality Weekly Report* 2019;68:157–164.

^{vii} Campaign for Tobacco-Free Kids. Raising State Cigarette Taxes Always Increases State Revenues (And Always Reduces Smoking) Fact Sheet. Updated June 7, 2017 Available at: <http://www.tobaccofreekids.org/research/factsheets/pdf/0098.pdf>.