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## **Tax Cigars and Other Tobacco Products the Same as Cigarettes, 87 Percent of Voters Say**

### ***Legislators must close cigarette tax loophole that leaves all other tobacco products tax-free***

HARRISBURG, Pa - All tobacco users should be taxed equally, whether using cigarettes, cigars, or another tobacco product, said 87 percent of Pennsylvania voters responding to a recent survey.

But because of a loophole in Pennsylvania tax laws, only cigarettes are subject to tobacco tax—cigars and all other tobacco products (OTPs) are tax-free, according to the Campaign for Tobacco Free Kids this costs the state an estimated \$70 million in tax revenue each year.

The survey, conducted in March by Susquehanna Polling and Research, was commissioned by the Pennsylvania Alliance to Control Tobacco (PACT).

“It doesn’t matter if it’s cigarettes or chew or bidis: Tobacco makes people sicker and sicker until it finally kills them,” PACT Executive Director Joy Blankley Meyer said.

“Pennsylvania taxpayers foot the bill for their healthcare, lost productivity, and other tobacco-related expenses, but our current law taxes only cigarette smokers. Pipe smokers and tobacco chewers get sick too, but they aren’t contributing anything,” Meyer said.

Pennsylvania is the only state in the nation that does not tax OTPs, and Pennsylvania voters are calling on legislators to close the loophole and tax all tobacco products equally.

Many other states tax OTPs, but at a lower rate than cigarettes, making them more appealing and affordable, particularly to youth. Increasing OTP prices by 10 percent reduces adult consumption by 3.7 percent and male youth consumption by 5.9 percent, according to the Campaign for Tobacco-Free Kids.

States also use different methods of taxing OTPs. The most effective tax is based on the price of the product. This ensures that all products are taxed equally.

The other type of tobacco tax is based on the product weight. Tobacco companies lobby for this weight-based tax because it supports their profits. Taxes drive prices up and sales down, so tobacco companies are developing OTPs that are extremely light. When the product is very light and the tax is based on the product weight, the tax stays low, the price stays low, and the appeal and accessibility stays high, especially to young people.

“The voters, both Democrat and Republicans, have made it clear that they want Pennsylvania legislators to close this loophole,” said Kevin O’Flaherty from Campaign for Tobacco Free Kids. “By applying the tobacco tax to all tobacco products, the legislature can increase the state’s revenue and reduce tobacco use among youth with a single act,” O’Flaherty said.

Tobacco use costs the nation – and the states – \$96 billion a year in healthcare costs. Pennsylvania spends \$5.2 billion each year in smoking-caused healthcare costs.

PACT is a statewide coalition focused on grassroots public policy and advocacy. The mission of PACT is to strengthen tobacco control laws in Pennsylvania, provide education about the dangers of tobacco, and reduce tobacco use through statewide grassroots advocacy. PACT is a member of the Breathe Free Coalition that includes the Campaign for Tobacco Free Kids, American Lung Association, American Heart Association, and American Cancer Society. The Breathe Free Coalition is working in Pennsylvania to close the loophole for other tobacco products.

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