



## CIGARETTE TAX POSITION STATEMENT

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### OTPC 2016 & 2017 PRIMARY POLICY OBJECTIVE

#### PUBLIC HEALTH BURDEN OF SMOKING

- Smoking remains the number one preventable cause of disease and death in the United States.<sup>1</sup>
  - 21.1% of Oklahoma adults currently smoke cigarettes.<sup>2</sup>
  - 7,500 Oklahomans die each year as a result of cigarette smoking<sup>3</sup>
- A \$1.50 per pack cigarette tax increase in Oklahoma will:<sup>4</sup>
  - Prevent 31,800 youth from becoming adult smokers, based on all youth under 17 alive today
  - Motivate 29,600 adult smokers to quit in the first year
  - Prevent 18,000 premature smoking caused deaths
  - Reduce smoking-complicated pregnancies and births by 6,100 in first 5 years
- Raising cigarette taxes always increases revenue and always reduces smoking.<sup>5</sup>
  - The Institute of Medicine and the Surgeon General agree that increasing the price of tobacco products is the single most effective way to reduce tobacco consumption.
  - Increase annual revenue by approximately \$182 million in the first year<sup>4</sup>
- Oklahoma's annual health care costs caused by smoking are \$1.62 billion, including \$264 million in Medicaid.<sup>6</sup>
  - First 5-Year Medicaid program savings to the state \$3.42 million<sup>4</sup>
  - Long-term health care cost savings from adult and youth smoking declines equal \$1.25 billion<sup>7</sup>
  - Smokers cost 3 times as much as non-smokers<sup>8</sup>

#### CIGARETTE TAX INCREASE IMPACT

- While the total packs of cigarettes sold declined from 356.8 million in 2004 (year before the last Oklahoma cigarette tax increase) to 309.3 million in FY2006, state revenue still increased from \$55.2 million to \$197 million over the same time period.<sup>9</sup>
- Research clearly indicates increasing the price of cigarettes is the single most effective strategy to reduce smoking.<sup>10</sup>
- The cigarette tax increase would improve Oklahoma cigarette tax ranking from 37<sup>th</sup> to 11<sup>th</sup> among 50 states.<sup>11</sup>
- 62% of Oklahoma registered voters surveyed in 2015 supported a \$1.50 cigarette tax increase.<sup>12</sup>

#### CALL TO ACTION

- Sign your partnership, coalition or organization to the [Oklahoma Turning Point Council's Cigarette Tax Letter of Support](#)
- Educate and advocate for policies supporting tobacco prevention and public health
- [Contact your state elected officials](#) to voice your support for a cigarette tax increase
- [Join OTPC](#) and create partnerships in your community and state to support effective tobacco prevention policy
- [Register to vote!](#)

<sup>1</sup> The Health Consequences of Smoking—50 Years of Progress: A Report of the Surgeon General, 2014, available at <http://www.surgeongeneral.gov/library/reports/50-years-of-progress/consumer-guide.pdf>

<sup>2</sup> Behavioral Risk Factor Surveillance System, 2014.

<sup>3</sup> Oklahoma Health Improvement Plan, (2015). Retrieved from <http://ohip2020.com/#tobacco-use>

<sup>4</sup> Campaign for Tobacco-Free Kids & Cancer Action Network, (2016). New revenues, public health benefits & cost savings from a \$1.50 cigarette tax increase in Oklahoma. Available by request

<sup>5</sup> Campaign for Tobacco-Free Kids. [http://www.tobaccofreekids.org/what\\_we\\_do/state\\_local/taxes/](http://www.tobaccofreekids.org/what_we_do/state_local/taxes/)

<sup>6</sup> Campaign for Tobacco-Free Kids. [OK Tax Increase Benefits \(\\$1.50\)](http://www.tobaccofreekids.org/research/factsheets/pdf/0281.pdf). Updated 1.14.16. Available by request.

<sup>7</sup> Campaign for Tobacco-Free Kids: [http://www.tobaccofreekids.org/facts\\_issues/toll\\_us/oklahoma](http://www.tobaccofreekids.org/facts_issues/toll_us/oklahoma)

<sup>8</sup> Campaign for Tobacco-Free Kids: <http://www.tobaccofreekids.org/research/factsheets/pdf/0281.pdf>

<sup>9</sup> Palmer J. T. & Pettit C. T. (2015). Oklahoma state innovation model delivery of high-cost services. Retrieved from <https://www.ok.gov/health2/documents/High-Cost%20Delivery%20Services.pdf>

<sup>10</sup> Oklahoma Tax Commission. Tobacco Consumption data, 2015.

<sup>11</sup> Chaloupa F. J. (2016). The economics of tobacco taxation in Oklahoma. Available by request.

<sup>12</sup> Cole, Hargrave & Snodgrass and Associates. September 8-14, 2015.