Talking Points in Support of Increasing NC’s Cigarette Tax By at Least 75-cents
(May 2005)

**Protects NC’s Children:** Raising NC’s cigarette tax to 75-cents will protect NC’s children from the addictive and too often deadly habit of smoking.

- Every 10% increase in the cost of a pack of cigarettes results in a decrease of 7% in the number of youth who begin to smoke.¹
- Of the 24,000 kids in NC who take up smoking each year, approximately 8,200 will go on to die prematurely due to smoking-related disease such as lung cancer, heart disease & stroke.²
- 34% of NC's high school students use tobacco products.³ The average age of a first-time smoker is thirteen.⁴ Since the early '90s, smoking among 8-10th graders has increased 50%.⁵ The proven, most effective way to reduce youth smoking is to increase the cost of cigarettes.⁶

**Will Reduce Health Care Costs to the State:**

- Smoking related disease and the resulting lost productivity costs the state $4.75 billion per year.⁷ These costs are projected to grow over time.
- North Carolinians pay nearly $5.90 a pack or roughly $498 a year⁸ of their income to cover the annual $1.9 billion dollar smoking related health care costs borne by taxpayers via Medicaid and Medicare expenditures.⁹
- We cannot afford to keep paying the unnecessary & avoidable costs associated with smoking.

**Generates Needed Revenue:**

- Increasing the cigarette tax by 75-cents is estimated to raise ~ $380 million in new revenue.¹⁰ The additional revenue would help reduce the state’s projected deficit if significant needs are addressed, such as state employee raises and public school and university enrollment increases.

**Reduces Smoking Among Pregnant Women:**

- Currently 15% of pregnant women in NC are smokers¹¹ threatening the health and life of both the mother and baby. With a 75-cent increase in the cost of a pack of cigarettes, there will be a 17.5% decrease in the number of pregnant NC women who smoke.¹²

**Will Not Hurt NC’s Farmers:**

- An increase in NC’s cigarette tax would not affect NC farmers, as their market is nationwide and worldwide. A 75-cent cigarette tax increase is estimated to reduce NC’s adult cigarette consumption by approximately 10%. Such a reduction in consumption would only reduce the overall demand for all American-grown flue cured tobacco by approximately one tenth of one percent.¹³

**Consistent with National Trends:**

- NC's tax is currently 5-cents, the LOWEST in the nation. With an increase of 75-cents, we will be close to the national average (currently 84-cents).
- North Carolina is not alone in seeking a significant increase in its cigarette tax. 38 states have raised their cigarette taxes in the last two years. All other tobacco-producing states in the Southeast have either already raised their tax or are seeking to do so in 2005. **In early March, Kentucky raised it’s tax by 27 cents from 3 to 30 cents.** In April 2004, Virginia raised its tax from 2.5 cents to 30 cents (fully in effect in 2005). In 2003, West Virginia raised its tax from 17-cents to 55-cents while Georgia passed a tax increase from 12-cents to 37-cents.

**For more information, contact NC Alliance for Health**

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2 Centers for Disease Control Health Consequences, www.cdc.gov/tobacco/hlthcon.htm

3 NC Youth Tobacco Survey, 2003

4 American Cancer Society

5 CDC State Tobacco Activities Tracking and Evaluation (STATE)


7 Smoking Attributable Morbidity, Mortality & Economic Costs, Office of Smoking & Health, CDC, 2002

8 Campaign for Tobacco Free Kids

9 CDC NC Profile at [http://www.cdc.gov/tobacco/statehighlights.htm](http://www.cdc.gov/tobacco/statehighlights.htm)

10 NC Fiscal Analysis Memorandum 03/12/03


13 Campaign for Tobacco Free Kids