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## UPDATE: By Increasing Georgia's Low Cigarette Tax, HB 39 Would Yield Public Health Benefits

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### Summary

With one in five adult Georgians and 19 percent of Georgia's high school students considered cigarette smokers, Georgia fails to meet the national Healthy People 2010 objectives for decreasing smoking prevalence. Georgia spends \$1.8 billion annually on direct medical expenditures associated with tobacco smoking; lost productivity costs the state an additional \$3.3 billion from morbidity and mortality. In light of these costs, cigarette tax increases have been used in other states as a public health tool to lower smoking. A 10 percent increase in the real price of cigarettes has been shown to reduce short-term consumption by 2 to 5 percent among adults and 6 percent or more among youth.

- **Recommendation:** HB 39 would increase Georgia's cigarette tax by \$1 per pack. An estimated 62,800 adult smokers would quit and 114,100 fewer youth would start smoking. Long-term health savings associated with this tax increase are estimated to be \$2.6 billion.

### Introduction

The first Surgeon General's Report on Smoking and Health was issued in 1964 and specifically outlined the deleterious health consequences of tobacco use, holding cigarette smoking responsible for a mortality rate for smokers 70 percent higher than that of nonsmokers. It also estimated that average smokers had a nine- to ten-fold risk of developing lung cancer compared to nonsmokers, and heavy smokers had at least a twenty-fold risk. The risk rose with the duration of smoking and diminished with the cessation of smoking. This first official report also named cigarette smoking as the most important cause of chronic bronchitis and pointed to a correlation between smoking and emphysema, and smoking and coronary heart disease.<sup>1</sup> Since 1964, the Surgeon General has issued a new report almost every year with confirmations and expansions on the initial findings. Two reports – one in 1969 and another in 1980 – featured the unique harmful health consequences of smoking among pregnant women, while the 1979 report focused on the heightened concerns of youth smoking. The ground-breaking 1988 report concluded that cigarette smoking is addictive, and the recent 2006 report highlighted the pervasive dangers of secondhand smoke.

Despite over four decades of research and scientific reports identifying the harmful effects of smoking, about one in five Georgia adults and nearly 19 percent of high school-age youth are still considered smokers today.<sup>2</sup> According to the Centers for Disease Control and Prevention (CDC), Georgia is home to about 1.3 million adult smokers.<sup>3</sup> Georgia's high smoking prevalence at all ages fails to approach the national public health objectives known as Health People 2010, which

seeks to decrease the national percentage of tobacco use to 12 percent for adults and 16 percent for adolescent smokers.<sup>4</sup>

One method of moving toward those smoking cessation goals is through cigarette tax increases. While cigarette taxes are not the optimal tax policy tool, they do carry significant health policy benefits due to the tax's ability to discourage smoking. The following report provides an overview of the public cost of smoking, as well as the health and revenue impacts of raising Georgia's cigarette taxes.

## **The Cost of Smoking and the Benefit of Quitting**

Cigarette smoking is the leading cause of preventable death and disease in the state of Georgia.<sup>5</sup> Over 10,000 adult Georgians die each year from smoking attributable deaths, including cancer, cardiovascular diseases, stroke, heart attack, and respiratory disease.<sup>6</sup> These deaths represent about 17 percent of total adult deaths in Georgia, or more than one out of every six deaths. While the majority of lung cancer cases are attributed to cigarette smoking, smokers are also at significantly higher risks for cardiovascular disease, which is the state's number one killer.<sup>7</sup> The uptake of smoking among adolescents is of particular concern because of long-term addiction. About 80 percent of adult smokers begin smoking before the age of 18.<sup>8</sup> The CDC estimates that 184,000 of Georgia's currently living youth are projected to die pre-maturely from smoking.<sup>9</sup>

The health consequences of smoking go beyond the smokers themselves. A recent Surgeon General publication indicates that there is no risk-free level of exposure to secondhand smoke.<sup>10</sup> Instead, quantifiable evidence demonstrates that secondhand smoke exposure causes disease and premature death in children and adults who do not smoke. Research also reveals that children are more likely than adults to be exposed to secondhand smoke.

Smoking-related death and disease carry a high cost, not only emotionally for the families coping with such circumstances, but also for the health system and economy at large. The direct medical costs and lost productivity attributed to tobacco smoking are significant. In 2004, healthcare spending in Georgia on direct medical costs associated with tobacco smoking totaled \$1.8 billion.<sup>11</sup> Lost productivity associated with cigarette smoking cost the state's economy an additional \$3.3 billion.

While the consequences and costs of smoking are often severe, smoking cessation has major and immediate health benefits for men and women of all ages. The risk of lung and other cancers, cardiovascular diseases, chronic lung disease, and heart attack all significantly decrease when individuals quit smoking.<sup>12</sup> Former smokers also live longer than continuing smokers. For example, persons who quit smoking before age 50 have one-half the risk of dying in the next 15 years compared with continuing smokers. Women who stop smoking before pregnancy reduce their risk of having a low birthweight baby, which can lead to other complications at birth.

## **Cigarette Taxes as Public Health Tool**

As the dangers and costs of tobacco use have been documented extensively in the last 40 years, it follows naturally that there is a compelling state public health goal to reduce smoking prevalence. While education and outreach are common strategies to achieve this goal, more and more states are embracing increased cigarette taxes as a means to reduce smoking rates. Numerous economic studies and peer-reviewed journals have documented that cigarette price increases, most often through the tobacco excise tax, lead to significant reductions in smoking prevalence among smokers and to reductions in smoking initiation.<sup>13</sup>

General consensus indicates that a 10 percent increase in the real price of cigarettes can be expected to reduce overall short-term cigarette consumption by an estimated 2 to 5 percent for adults.<sup>14</sup> Younger populations have been found to be even more sensitive to cigarette price fluctuation. With more limited financial resources and inconsistent access, youth are predicted to decrease cigarette consumption by three times that of adults, or by at least 6 percent, with every 10 percent increase in price.<sup>15</sup> Moreover, economic models suggest that long-term responses to sustained price increases would reduce smoking consumption by double this amount at the same level of price increase.<sup>16</sup>

This higher sensitivity to price among youth stems from several causes, including income constraints and peer influence.<sup>17</sup> Because younger smokers have less disposable income than adults, price increases may have a greater effect on youth who smoke or are considering smoking in comparison to adults. Also, peer influences have a much larger impact on youth smoking than on their adult counterparts; meaning, reductions in teen smoking due to price increases may be amplified by additional reductions due to the lower prevalence rates themselves. Reduced prevalence among both adults and teens will also limit the ready availability of cigarettes to underage smokers, especially to those youth who may have a family member who smokes.<sup>18</sup>

Cigarette consumption price sensitivity is important when considering effective public health policy interventions as a tool to prevent disease, disability, and death. Given that nearly all smoking initiation occurs by the time of high school graduation and that smoking habits become firmly established during early adulthood, interventions that aim to prevent smoking initiation are a priority. The estimates above suggest that sustained cigarette tax increases can be an effective means for achieving long-term smoking reductions across the population by first reducing the smoking prevalence of younger smokers.

### **Recommendation: Increase Georgia's Cigarette Taxes**

On July 1, 2003, Georgia's excise tax on cigarettes increased for the first time in over 30 years, rising from 12 cents to 37 cents per pack. Taxes on cigars rose as well; and, for the first time in its history, Georgia levied taxes on smokeless tobacco products.<sup>19</sup> In every state that has significantly raised its cigarette tax rate, pack sales have gone down sharply, generally ranging from a 5 to 15 percent drop in sales.<sup>20</sup> Between 2002, one year before the excise tax increase on cigarettes in Georgia, and 2006, three years after, cigarette sales dropped 7.8 percent.<sup>21</sup> In the same years, the prevalence of Georgia's adult cigarette smokers dropped 2.3 percent.<sup>22</sup> While the decrease in prevalence is less dramatic than sales, it is important to keep in mind two points: (1) decreasing sales demonstrates that smokers are significantly cutting back on consumption even if they choose not to quit, and (2) cigarette price increases must be sustained over time.

In spite of those advances, Georgia's 2006 average number of adult (19.9 percent) and adolescent (18.6 percent) cigarette smokers does not meet the national Healthy People 2010 objectives.<sup>23</sup> While Georgia continues to have a high prevalence of smoking, the state remains a low tax state for cigarettes, as shown in the Appendix Table. Georgia's 37 cents per pack ranked 43<sup>rd</sup> in 2007, well below the average state tax of \$1.11 per pack, and will soon rank 44<sup>th</sup>.<sup>24</sup>

With an estimated 1.3 million adult smokers in Georgia and some of the lowest tobacco taxes in the nation, Georgia should consider using a cigarette tax increase as a public health tool to lower smoking. A \$1 per pack increase in Georgia's cigarette tax would likely have a significant impact on both adult and youth smoking rates in Georgia and would yield public health benefits as a result of expected smoking prevalence declines.

## Health Impact of Recommended Increase

Because of the consumption declines that follow price increases, any increase in cigarette excise taxes will have some positive impact on health outcomes. Most notably a reduction in the number of youth who start smoking would lead to a reduction in the number projected to die from smoking-related disease. In addition, health benefits such as fewer hospitalizations from asthma, a decrease in heart disease and strokes, and an increase in the number of infants born at healthy weights can be expected from lowered smoking prevalence.

<b>Table 1: Impact from Projected \$1 Increase of Cigarette Tax</b>			
<b>Number of Current Adult Smokers Who Would Quit</b>	<b>Fewer Future Youth Smokers</b>	<b>Number of Youth Alive Today Saved From Early Smoking Death</b>	<b>Long Term Health Savings</b>
62,800	114,100	36,500	\$2,593.4 million*
*All savings are in 2004 dollars. Source: Tobacco Free Kids, February 2008			

A proposed excise tax increase of \$1.00 in Georgia is estimated to lower the number of future youth smokers by 114,100 and save 36,500 youth from early smoking-related deaths.<sup>25</sup> Additionally, a projected 62,800 fewer adults will be considered smokers. Although smoking-caused healthcare cost savings from a cigarette tax increase will be relatively small in the first year after an increase, the savings grow quickly. The estimated 5-year savings in Georgia from strokes and pregnancy-birth complications are \$29.6 million and \$20.3 million, respectively. The projected healthcare savings from reducing the number of youth and adult smokers accrue over the lifetime of kids and adults who quit or do not start due to the tax increase and exceed \$2.6 billion in long-term savings.

These projections are based, in part, on research findings that a 10 percent cigarette price increase reduces youth smoking rates by 6.5 percent or more, adult rates by 2 percent, and total consumption by 4 percent.<sup>26</sup> The price increase is assumed to be maintained against inflation over time, which is not what current Georgia legislation proposes. These elasticity findings are adjusted downward to be conservative and to account for some smokers avoiding the price increases through a range of tax evasion strategies. Smokers' lifetime healthcare costs are higher than nonsmokers, despite shorter life spans; however, the savings for each adult quitter are less than that because adult smokers have already been significantly harmed by their smoking and have already incurred smoking-caused health costs.<sup>27</sup>

## Revenue and Budget Impact of Recommended Increase<sup>28</sup>

The health benefits of a cigarette tax increase are considerable, and the revenue gains can be sizeable as well. Based on the official fiscal note, the \$1.00 per pack increase, along with an increase in the tax imposed on loose and smokeless tobacco from 10 to 25 percent, proposed in HB 39 would generate an additional \$449.2 million in state revenues in FY 2010.<sup>29</sup> While the revenue benefits can be substantial, cigarette taxes are a flawed revenue tool from a tax policy perspective. Not only are cigarette taxes regressive, meaning they fall more heavily on low-income individuals, but they also represent a declining revenue stream that, if used inappropriately, can contribute to structural deficits.<sup>30</sup>

The major problem with the tax on cigarettes is its regressive nature. Like any consumption tax, cigarette taxes take a higher share of income from low and middle income households than from upper income households. Table 2 demonstrates this drawback to the cigarette tax by showing the distribution of a \$1.00 per pack increase across income groups. As shown in Row A, those

2006 Income Group	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
<b>Income Range</b>	Less Than \$15,000	\$15,000 – \$26,000	\$26,000 – \$44,000	\$44,000 – \$74,000	\$74,000 – \$151,000	\$151,000 – \$410,000	\$410,000 – Or More
<b>Average Income</b>	\$9,000	\$20,000	\$34,000	\$56,000	\$101,000	\$222,000	\$1,239,000
<b>(A) Average Tax Change</b>	\$75	\$96	\$108	\$115	\$111	\$135	\$161
<b>(B) Tax Change as % of Income</b>	+0.8%	+0.5%	+0.3%	+0.2%	+0.1%	+0.1%	+0.0%

*Source: Institute on Taxation and Economic Policy, January 2008*

taxpayers in the lowest 20 percent of incomes, who have an average income of \$9,000, would experience an average tax increase of \$75, while taxpayers in the top 1 percent of incomes would have an average tax increase of \$161.<sup>31</sup> Although the tax increase in dollar value would be lower for low-income Georgians, that increase would take a much larger share of their income. As shown in Row B, this tax increase would consume 0.8 percent of income for those in the bottom 20 percent of incomes. In contrast, the tax increase will consume only 0.01 percent of income for those with the highest incomes.

A second flaw of cigarette taxes as a revenue source is their declining nature. Because cigarette taxes are levied on a per-pack basis rather than as a percentage of the sales price, tax revenues fail to increase along with price increases or periods of economic growth. This means tax revenues associated with cigarette taxes only grow when demand increases or the tax rate increases.<sup>32</sup> For example, consider a state with a \$0.30 per pack cigarette tax. If the price of a pack of cigarettes increases by \$1.00, the state will still only receive \$0.30 when a consumer buys a pack of cigarettes. On the other hand, if the consumer decides to buy two packs of cigarettes (i.e. demand increases), then the state receives \$0.60. While the \$1 per pack tax increase will boost revenues by an estimated \$450 million, consumption will decline in response to the higher taxes, as discussed previously. Thus, the initial revenue gains up to \$450 million will be somewhat eroded in later years as consumption declines. Since cigarette tax revenues are a declining revenue source, it is problematic when cigarette taxes are used to fund core government services, which continue to increase in cost. Using this declining revenue source to fund services that are increasing in cost can cause structural deficits, which occur when state revenue systems cannot generate the funds needed to meet current services.

Policymakers can balance these negative aspects of tobacco taxes by combining such increases with offsetting tax cuts for low and moderate income Georgians, ensuring this declining revenue source goes to one-time funding purposes, and combining these changes with comprehensive tax reform.<sup>33</sup>

*The Georgia Budget and Policy Institute (GBPI) is an independent, nonprofit, non-partisan organization engaged in research and education on the fiscal and economic health of the state of Georgia. The GBPI provides reliable, accessible and timely analyses to promote greater state government fiscal accountability as a way to improve services to Georgians in need and to promote quality of life for all Georgians.*

<b>APPENDIX TABLE: State Cigarette Taxes and Rankings, 2007</b>			
<b>State</b>	<b>State Tax Per Pack</b>	<b>National Rank</b>	<b>Year of Last Increase</b>
Alabama	\$0.425	42	2004
Alaska	\$2.00	4	2007
Arizona	\$2.00	4	2007
Arkansas	\$0.59	38	2003
California	\$0.87	29	1999
Colorado	\$0.84	30	2005
Connecticut	\$2.00	4	2007
Delaware	\$1.15	21	2007
Washington, DC	\$1.00	24	2003
Florida	\$0.339	46	1990
<b>Georgia</b>	<b>\$0.37</b>	<b>43</b>	<b>2003</b>
Hawaii	\$1.80	9	2007
Idaho	\$0.57	39	2003
Illinois	\$0.98	27	2002
Indiana	\$0.995	26	2007
Iowa	\$1.36	17	2007
Kansas	\$0.79	32	2003
Kentucky	\$0.30	47	2005
Louisiana	\$0.36	44	2002
Maine	\$2.00	4	2005
Maryland	\$1.00	24	2002
Massachusetts	\$1.51	13	2002
Michigan	\$2.00	4	2004
Minnesota	\$1.493	15	2005
Mississippi	\$0.18	49	1985
Missouri	\$0.17	50	1993
Montana	\$1.70	11	2005
Nebraska	\$0.64	35	2002
Nevada	\$0.80	31	2003
New Hampshire	\$1.08	22	2007
New Jersey	\$2.575	1	2006
New Mexico	\$0.91	28	2003
New York	\$1.50	14	2002
North Carolina	\$0.35	45	2006
North Dakota	\$0.44	41	1993
Ohio	\$1.25	19	2005
Oklahoma	\$1.03	23	2005
Oregon	\$1.18	20	2004
Pennsylvania	\$1.35	18	2004
Rhode Island	\$2.46	2	2004
South Carolina	\$0.07	51	1977
South Dakota	\$1.53	12	2007
Tennessee	\$0.62	36	2007
Texas	\$1.41	16	2007
Utah	\$0.695	34	2002
Vermont	\$1.79	10	2006
Virginia	\$0.30	47	2005
Washington	\$2.025	3	2005
West Virginia	\$0.55	40	2003
Wisconsin	\$0.77	33	2001
Wyoming	\$0.60	37	2003

Source: Campaign for Tobacco Free Kids, <http://tobaccofreekids.org/research/factsheets/pdf/0099.pdf>

## Endnotes

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<sup>2</sup> Bryan L, Thompson S, 2006 Georgia Behavioral Risk Factor Surveillance System Report. Georgia Department of Human Resources, Division of Public Health, Chronic Disease, Injury, and Environmental Epidemiology Section, December 2007. Publication number DPH07.157HW, and Oasis Youth Risk Behavior Web Query, Georgia Student Health Survey. <http://oasis.state.ga.us/oasis/yrbs/qryyrbs.aspx>

<sup>3</sup> CDC. Sustaining state programs for tobacco control: data highlights. Atlanta, GA: US Department of Health and Human, CDC; 2006. Available at:

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<sup>4</sup> Healthy People 2010 Objectives. Reduce Tobacco Use By Adults:

<http://www.healthypeople.gov/document/html/objectives/27-01.htm> and Reduce Tobacco Use By Adolescents:

<http://www.healthypeople.gov/document/html/objectives/27-02.htm>. Accessed February 14, 2008.

<sup>5</sup> Georgia Department of Human Resources, Division of Public Health, Chronic Disease, Injury, and Environmental Epidemiology Section, 2004 data. <http://health.state.ga.us/programs/chronic/index.asp>

<sup>6</sup> Georgia Department of Human Resources, Division of Public Health, Chronic Disease, Injury, and Environmental Epidemiology Section, 2004 data. <http://health.state.ga.us/programs/chronic/index.asp>

<sup>7</sup> United States Department of Health and Human Services. The health consequences of smoking: Nicotine addiction, a report of the Surgeon General. Rockville, MD: United States Public Health Service, 1988.

<sup>8</sup> Bryan L, Thompson S, Patel M. 2005 Georgia Behavioral Risk Factor Surveillance System Report. Georgia Department of Human Resources, Division of Public Health, Chronic Disease, Injury, and Environmental Epidemiology Section, November 2006. Publication number DPH06/154HW. <http://health.state.ga.us/pdfs/epi/brfssreport.05.pdf>

<sup>9</sup> CDC. Sustaining state programs for tobacco control: data highlights. Atlanta, GA: US Department of Health and Human, CDC; 2006. Available at:

[http://www.cdc.gov/tobacco/data\\_statistics/state\\_data/data\\_highlights/2006/00\\_pdfs/DataHighlights06rev.pdf](http://www.cdc.gov/tobacco/data_statistics/state_data/data_highlights/2006/00_pdfs/DataHighlights06rev.pdf)

<sup>10</sup> U.S. Department of Health and Human Services. The Health Consequences of Involuntary Exposure to Tobacco Smoke: A Report of the Surgeon General – Executive Summary. U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, Coordinating Center for Health Promotion, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2006.

<http://www.surgeongeneral.gov/library/secondhandsmoke/report/executivesummary.pdf>

<sup>11</sup> Georgia Data Summary 2007. Tobacco Use. Georgia Department of Human Resources.

[http://health.state.ga.us/pdfs/epi/cdiee/CDIEE%20Data%20Summaries%202007/2007\\_Tobacco\\_Data\\_Summary.pdf](http://health.state.ga.us/pdfs/epi/cdiee/CDIEE%20Data%20Summaries%202007/2007_Tobacco_Data_Summary.pdf)

<sup>12</sup> U.S. Department of Health and Human Services. The Health Benefits of Smoking Cessation. A report of the Surgeon General: 1990. US Department of Health and Human Services. Centers for Disease Control.

[http://profiles.nlm.nih.gov/NN/B/B/C/T/\\_/nnbct.pdf](http://profiles.nlm.nih.gov/NN/B/B/C/T/_/nnbct.pdf)

<sup>13</sup> Centers for Disease Control and Prevention. Reducing Tobacco Use: A Report of the Surgeon General. Atlanta, GA: Centers for Disease Control and Prevention; 2000. Available from:

[http://www.cdc.gov/tobacco/data\\_statistics/sgr/sgr\\_2000/index.htm](http://www.cdc.gov/tobacco/data_statistics/sgr/sgr_2000/index.htm)

<sup>14</sup> National Cancer Institute. (1993). "The Impact of Cigarette Excise Taxes on Smoking Among Children and Adults." National Cancer Institute, Rockville, MD; U.S. Department of Health and Human Services, "Reducing the Health Consequences of Smoking: 25 Years of Progress. A Report of the Surgeon General." Department of Health and Human Services, Public Health Service, Centers for Disease Control, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, Atlanta, GA; U.S. Department of Health and Human Services. (1994).

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<sup>15</sup> Chaloupka, F.J., "Macro-Social Influences: The Effects of Prices and Tobacco Control Policies on the Demand for Tobacco Products," *Nicotine & Tobacco Research*, 2000, and other price studies at <http://tiger.uic.edu/~fjc>; Tauras, J, et al., "Effects of Price and Access Laws on Teenage Smoking Initiation: A National Longitudinal Analysis," *Bridging the Gap Research, ImpacTeen*, April 24, 2001, and other price studies at <http://www.impactteen.org>., Lewit, E.M., D. Coate, and M. Grossman. (1981). "The Effects of Government Regulation on Teenage Smoking." *Journal of Law and Economics*. 24:545-69. These elasticity findings are adjusted downward to be conservative and to account for some smokers avoiding the price increases through a range of tax evasion strategies. Despite such tax evasion, cigarette tax increases reduce smoking rates, which, in turn, reduces smoking caused disease, death, and economic costs.

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<sup>17</sup> Evans, W.N., and M.C. Farrelly. (1996). "The Compensating Behavior of Smokers: Taxes, Tar and Nicotine," Manuscript Presented at the Annual Meetings of the American Economic Association.

<sup>18</sup> Chaloupka, F.J. "Contextual factors and youth tobacco use: policy linkages." *Addiction*, 98 (Suppl 1), 147-149.

<sup>19</sup> Georgia Department of Revenue. *2004 Statistical Report*. February 21, 2005.

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<sup>20</sup> Tobacco Free Kids. Raising State Cigarette Taxes Always Increases State Revenues (And Always Reduces Smoking). March 8, 2007. <http://tobaccofreekids.org/research/factsheets/pdf/0098.pdf>. Raising Cigarette Taxes Reduces Smoking, Especially Among Kids (And the Cigarette Companies Know It). June 11, 2007.

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<sup>22</sup> Behavioral Risk Factor and Surveillance Report, Georgia Department of Human Resources, Division of Public Health. 2002 and 2006. <http://health.state.ga.us/epi/brfss/publications.asp>

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<sup>24</sup> Tobacco Free Kids. State Cigarette Tax Rates & Rankings.

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<sup>25</sup> Tobacco Free Kids. Lindblom, Eric. February 5, 2008. (Note: All savings are in 2004 dollars.)

<sup>26</sup> Tobacco Free Kids. Lindblom, Eric. February 5, 2008.

<sup>27</sup> Tobacco Free Kids. Explanation and Sources for Tobacco Free Kid's Projections of Revenues & Benefits From State Cigarette Tax Increases, Lindblom, Eric. February 5, 2008.

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<sup>28</sup> The following text is original research by GBPI, published courtesy of the Center for a Better South.

<sup>29</sup> Official Fiscal Note for HB 39. Georgia Department of Audits and Accounts, letter issued February 11, 2009.

<sup>30</sup> Lav, Iris. *Cigarette Tax Increases: Cautions and Considerations*. July 11, 2002. Washington, DC: Center on Budget and Policy Priorities. [www.cbpp.org](http://www.cbpp.org).

<sup>31</sup> Institute on Taxation and Economic Policy. January 2008.

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<sup>33</sup> Lav (2002).