Tobacco taxes as a tobacco control strategy

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Abstract
Background Increases in tobacco taxes are widely regarded as a highly effective strategy for reducing tobacco use and its consequences. Methods The voluminous literature on tobacco taxes is assessed, drawing heavily from seminal and recent publications reviewing the evidence on the impact of tobacco taxes on tobacco use and related outcomes, as well as that on tobacco tax administration. Results Well over 100 studies, including a growing number from low-income and middle-income countries, clearly demonstrate that tobacco excise taxes are a powerful tool for reducing tobacco use while at the same time providing a reliable source of government revenues. Significant increases in tobacco taxes that increase tobacco product prices encourage current tobacco users to stop using, prevent potential users from taking up tobacco use, and reduce consumption among those that continue to use, with the greatest impact on the young and the poor. Global experiences with tobacco taxation and tax administration have been used by WHO to develop a set of ‘best practices’ for maximising the effectiveness of tobacco taxation. Conclusions Significant increases in tobacco taxes are a highly effective tobacco control strategy and lead to significant improvements in public health. The positive health impact is even greater when some of the revenues generated by tobacco tax increases are used to support tobacco control, health promotion and/or other health-related activities and programmes. In general, oppositional arguments that higher taxes will have harmful economic effects are false or overstated.

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