



Raising the State Tobacco Tax

BY ROBERT MONGER, MD



Next year may finally be the year that Wyoming increases the tobacco tax. The Wyoming state tax on cigarettes is almost the lowest in the country at only \$0.60 per pack and hasn't been raised since 2003.

The average state tax in the United States is currently \$1.69 per pack, and in some states the tax is more than \$3.00 per pack. Local cigarette taxes also apply in many places; for example, in Chicago the combined state, county and city taxes add up to more than \$6.00 per pack of cigarettes.

There are many smokers in Wyoming. The Centers for Disease Control (CDC) estimates that almost 20% of adults in Wyoming are smokers, and that 800 adults in Wyoming die each year from their smoking habit.

And although the legal age to buy cigarettes is 18 years old, the CDC estimates that 15% of Wyoming high school students are smokers.

Groups like the Wyoming Medical Society and the American Cancer Society have been lobbying the Wyoming Legislature for years to raise the cigarette tax because it is well established that the more cigarettes cost to buy, the fewer cigarettes people smoke.

Based on data from other states that have raised their cigarette taxes, it is estimated that if Wyoming raised its cigarette tax by \$1.25 per pack that 3,500 current adult smokers in Wyoming would quit altogether, and it would prevent 3000 Wyoming youth under age 18 from ever becoming adult smokers. This would go on to prevent 1,800 premature smoking-caused deaths.

While the public health argument for raising the cigarette tax is compelling, it has not been persuasive for Wyoming legislators.

There is a strong pro-tobacco lobby in Wyoming that argues that raising the tobacco tax will hurt the small businesses in Wyoming that sell cigarettes, and Wyoming legislators have consistently and reliably voted for tobacco in recent years. So,

what's different now that things might change?

Simply put, what's different now is that the state needs the money. The state budget has become very tight, and the projected new annual revenue from increasing the cigarette tax by \$1.25 per pack is \$26.14 million dollars.

How could the state spend an extra 26 million dollars per year? Along with other state agencies the Wyoming Department of Health (WDH) could use the money.

WDH has been the target of numerous budget cuts in the past year. For example, the Tobacco Prevention and Control Program and the Substance Abuse Prevention Program fall under the same unit (0550) for funding allocation.

At the beginning of the 2017/18 biennium the unit was allocated \$4,588,365 of state general funds (SGF), but then during the 2017 legislative session their SGF budget was decreased by \$2,167,711, leaving the unit a SGF allocation of only \$2,426,654 for the biennium.

It's a classic example of penny wise and pound foolish: cutting preventative services helps balance this year's budget, but it'll cost the state much more money later on to treat all of the illnesses and addictions that could have been prevented.

Additionally, at the October 2017 meeting of the Labor, Health, and Social Services Committee WDH Director Tom Forslund testified that the Wyoming Medicaid program currently faces a more than \$20 million budget deficit.

Raising the state tobacco tax by \$1.25 per pack would bring the tax up to the national average, prevent thousands of Wyoming kids from ever becoming smokers, prevent 1,800 premature smoking-caused deaths, and the revenue could be used to restore funding to public health programs and help bridge the Medicaid budget gap.

Talk to your legislators. 2018 may finally be the year that Wyoming increases its tobacco tax. 

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