



How a \$1.50 per-pack cigarette tax benefits low-income families in Oklahoma

The Surgeon General has called raising prices on cigarettes “one of the most effective tobacco control interventions” because increasing price is proven to reduce smoking, especially among kids and among those with low incomes.ⁱ

- Smoking levels are highest among people with low incomes. Research has demonstrated that tobacco or cigarette tax increases benefit the poor at a greater rate than any other socioeconomic group.ⁱⁱ
- The higher smoking rates among lower-income groups means they suffer disproportionately more from smoking and will, consequently, **benefit the most from effective new measures that reduce smoking, including higher prices through increased cigarette taxes.**ⁱⁱ
- Tobacco tax increases improve the health of low-income smokers and their families and significantly reduce their related costs.ⁱⁱ
- Those who stop smoking in response to cigarette tax increases will greatly improve their own health, which could significantly reduce their health costs. People who smoke die younger than nonsmokers but because of their higher rates of illness and disability they still have substantially higher annual and lifetime health care costs.ⁱⁱ
- In Oklahoma, smoking-caused health care expenditures total about \$1.62 billion per year, some of these costs are paid directly by tobacco users through direct health care payments and increased health insurance premiums.ⁱⁱⁱ
- Smoking among Medicaid enrollees costs Oklahoma \$264 million each year.ⁱⁱⁱ

“[T]he base of our business is the high school student.” – Lorillard memo from executive TL Achey to CEO Curtis Judge about the success of the Newport brand

ⁱ U.S. Department of Health and Human Services, The Health Consequences of Smoking: 50 Years of Progress. A Report of the Surgeon General, Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014.

ⁱⁱ Campaign for Tobacco-Free Kids. Tobacco Tax Increases Benefit Lower-Income Smokers and Families. January 2017.

ⁱⁱⁱ Campaign for Tobacco-Free Kids. The Toll of Tobacco in Oklahoma. March 2017.