



WHY RAISE SOUTH CAROLINA'S CIGARETTE TAX?

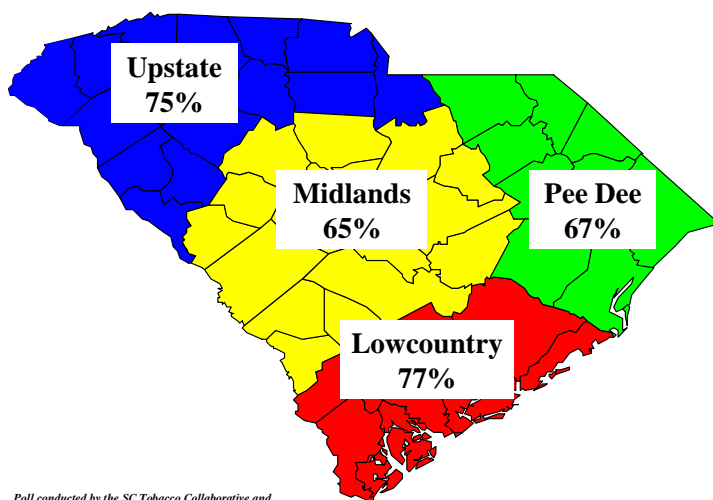
Cigarette Tax Briefing Paper 2007

South Carolina's cigarette tax is the lowest in the nation, at just 7 cents per pack. It has not been raised since July 1, 1977. A 93-cent per pack increase will bring South Carolina closer to the national average of \$1.02 per pack.

Since 2001, 43 states, the District of Columbia and several U.S. territories have increased their cigarette tax rates more than 72 times. Every single state that has significantly raised its tax has enjoyed **substantial increases in revenue** despite **declines in smoking**.

Voters from every region strongly support a 93-cent cigarette tax increase.

Total Support of 93-Cent Tax Increase by Region



SMI
Public Opinion
STRATEGIES
Poll conducted by the SC Tobacco Collaborative and SC Hospital Association, January 17 and 19, 2006.

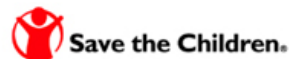


A January 2006 poll found that 71% of South Carolina voters are in favor of raising the cigarette tax to fully fund important programs. There is strong, broad-based support **in all regions of the state** for a 93-cent per pack increase.

The proposal has tremendous cross-party support. There is virtually no difference in overall support between the 93-cent and 53-cent proposals.

It's not only acceptable, but voters think a cigarette tax is a good idea, **with the funding going directly to youth smoking prevention and other health care programs.**

In addition to the health benefits, a cigarette tax increase will have substantial economic benefits. It is a reliable and predictable source of revenue, unlike state income tax or corporate tax revenues that can decline sharply due to unexpected economic conditions. Over time, **savings from reductions in taxpayer-supported health care costs** will more than make up for any cigarette tax revenue reductions. South Carolina is leaving millions of dollars per year on the table by not increasing this tax.



INCREASING SOUTH CAROLINA'S CIGARETTE TAX BY 93-CENTS IS A:

- **WIN** for public health because it will reduce smoking, particularly among kids;
- **WIN** for the state's fiscal health because it will raise more than \$223 million in new revenue for the state; and
- **WIN** for lawmakers who support it because of overwhelming voter support.

WIN For Kids

59,700 fewer youth smokers
31,200 fewer adult smokers
More than 27,000 lives saved

WIN For State Revenues

More than \$223 Million in new cigarette tax revenue
More than \$1.3 Billion in long term health care savings

WIN For Lawmakers

A 93-cent increase is supported by 71% of South Carolina voters

The bottom line:

South Carolinians support raising the cigarette tax **if the revenue goes to health care programs**. When compared with other options – raising other taxes or cutting important programs – raising the cigarette tax is seen as an attractive solution to funding critical health programs for South Carolina families. Support for increasing the cigarette tax is broad-based, and cuts across party, regional, gender, and racial lines.

The time is NOW!

For more information or to get more involved:

Renee Martin
Executive Director
SC Tobacco Collaborative
(803) 939-0088
reneemartin@smokefreesc.org

Kelly Davis
Cigarette Tax Campaign Coordinator
SC Tobacco Collaborative
(803) 479-0411
Kelly@DavisPublicRelations.com

Visit www.smokefreesc.org or www.worththechange.org

