



Increasing the Cost of Tobacco is a WIN-WIN-WIN for Kentucky

Raising the cigarette excise tax to the national average (\$1.11 as of February 2008) will prevent kids from starting to smoke, save lives and health care costs and provide the state with much needed revenue. Kentucky's current tax of 30 cents remains well below the average of our surrounding states (currently 70 cents).

WIN #1 A Win for Health

Higher cigarette taxes reduce smoking - especially among teens and pregnant women. Studies show that for each 10% increase in the price of cigarettes, youth smoking is reduced by about 7% and overall cigarette consumption by 3 to 5%. A 75-cent per pack increase would prevent 46,500 kids from becoming smokers and decrease the number of Kentucky youth who smoke by 14%.

WIN #2 A Financial Win

Raising Kentucky's cigarette tax to the national average will generate at least \$250 million in new revenue and save more than \$1 billion in long-term smoking-caused health costs. Tobacco taxes are a reliable source of funds that are more predictable than other taxes. The new revenue can be used to support critical health program. Also, the reduction in smoking caused by a tax increase will produce dramatic savings to the state Medicaid program.

Win #3 A Political Win for Kentucky Legislators

60% of Kentucky voters support a 75 cent cigarette tax increase and would support candidate who votes for the increase. The support crosses party lines and is strong across all regions of Kentucky.